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DRAFT DOCUMENT FOR DEBT MEETING RELEASED

PA230035 Paris AFP in Spanish 1703 GMT 22 May 84

[Text] Bogota, 22 May (AFP) -- Argentina, Brazil, Colombia, and Mexico plan to request a 15-year period to pay their foreign debt with U.S. banks, according to a document that will be discussed at the planned meeting of foreign and economy ministers of those and other Latin American countries.

An unofficial draft of the document released in Bogota by the Agencia Nacional de Noticias, CIEP, also indicated that the debt will begin to be paid off in the seventh year, and that the interest payments will be different for each country in accordance with its recovery possibilities.

The CIEP said that it had obtained the copy of the document from authorized sources. The complete text is as follows:

"A 15-year period to pay the debt contracted with the private banks is planned along with payments that would begin in the seventh year. In other words, a 6-year grace period would be established. The amortization program would not require semiannual payments (a pattern that is currently followed) and instead could begin with smaller amounts and gradually increase.

"The maturity date of the debt contracted with governments should also be submitted to a new program of amortization with a longer payment period.

"The debt with multilateral organizations would not initially have to change since it is traditionally the least onerous, and moreover it is advisable that those organizations be politically strengthened. [sentence as received]

"In the renegotiation of the foreign debt, the revenue from exports should not be committed beyond reasonable percentages compatible with the maintenance of adequate levels of internal productive activity, considering the characteristics of the economies of each country.

"Formulas should be incorporated to reduce the debt service payments through the drastic reduction of interest, commissions, and all types of extras that considerably increase the refinancing costs.

"A substantial reduction of the interest rates will be sought. The interest payments that the Latin American countries have made in recent years have turned the region into a clear exporter of capital.

"To successfully apply the above formulas, payment guarantees must be provided by the public sector, governmental or multilateral; in the case of the debt with commercial banks, the possibility of guarantees being provided by the World Bank or the IDB could be studied.

"Another alternative is suggested: The establishment of a fund formed by the developed countries that could be administered by the World Bank, the IMF, or the IDB, but safeguarding their economy so as to preserve the integrity of those institutions.

"The interest that is paid on the contracted debt must be determined in accordance with the payment capacity of the debtor countries and not through the anticipated contracting of an interest rate, whether it be fixed or variable. The creditor governments should accept this potential loss from the interest within the framework of the concerted effort to reestablish the rate of development of the world economy and the economic recovery of Latin America.

"The interest payments will be different for each country, in accordance with the circumstances of each country and its recovery possibilities. This prevents the criticism that is made of some plans to the effect that all countries are treated the same way despite their evident differences."

Another alternative that is brought up in the document is that "the guarantees can be offered by the governments of the developed countries to their own national banks."

The text added that "according to SELA, this formula is the least advisable since too many interests are involved and very difficult political problems would arise."

To Meet 7-11 July in Bogota

PY230226 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 22 May 84

[Text] Brasilia -- The entire Latin American Continent is lending its support to the meeting of foreign ministers summoned by Brazil, Argentina, Mexico, and Panama [as heard] for debating the debt problem.

Diplomatic sources today said in Brasilia that the meeting will take place from 7 to 11 July in Bogota.

The Peruvian, Chilean, Ecuadoran, Bolivian, Venezuelan, and Dominican Republic Governments endorsed the summons in the last few hours. All of them agree that Latin America cannot repay its $320 billion debt with the current interest rates.

Mexican Finance Minister Jesus Silva-Herzog has denied that the Latin American common front will become a debtors' club or an instrument for the negotiation of a moratorium. However, he said that the interests of each country must be respected.

ALFONSIN HOLDS TALKS WITH PARTY LEADERS

Intransigents Welcome Plan

PY231715 Buenos Aires Domestic Service in Spanish 2000 GMT 22 May 84

[Excerpt] This morning the president of the Republic continued the round of talks with political leaders which began yesterday with leaders of the Justicialist Party. Members of the Intransigent Party, led by Dr Oscar Alende, participated in this morning's talks.

Oscar Alende, president of the Intransigent Party, said that President Alfonsin informed him that the Dominican Republic and Venezuela have joined the statement signed by Argentina, Brazil, Colombia, and Mexico, a statement which asks for better conditions for refinancing the foreign debts of these countries.

Alende added that his party welcomes this joint Latin American plan because the Intransigent Party advocates the establishment of an organization of American states which excludes the non-Spanish-speaking countries.

Alende reiterated that under the present conditions the foreign debt is both uncollectable and unpayable under the technical terms established by the IMF.

In statements made in the Government House press room, Alende said that he had asked Alfonsin that the persons be identified who were responsible during the military regimes for increasing the Argentine foreign debt from $7.8 billion to over $40 billion. Alende remarked that drastic patriotic measures must be taken to overcome this crisis, which is the worst in Argentine history.

Alende said that Alfonsin reasserted his electoral pledge that he will not accept recessive bailouts which hamper the development of the economy, facilitate usury at the expense of the people, and hurt the workers' wages. Alende stated that as long as the government stands by that decision, the Intransigent Party will fully support it.

Christian Democrats Support

PY231545 Buenos Aires Domestic Service in Spanish 1030 GMT 23 May 84

[Relay from Government House]

[Text] Within the framework of the recently launched political dialogue, Argentine President Raul Alfonsin yesterday met with the Christian Democrats. Francisco Cerro, president of the Christian Democratic Party, said that he had attended the political dialogue in response to an invitation. He added that he had complied with the instructions in the invitation, that is, to bring a small delegation in order to meet the objective of the meeting, which was to contribute ideas and discuss them.

Cerro went on to say that President Alfonsin gave the delegation a perfectly satisfactory welcome, similar to that given to the interior minister. He emphasized that the meetings left them very hopeful. We do not want to indulge in wishful thinking because that would be tantamount to political insecurity, but we do expect that this dialogue will lead to concrete developments, he said.

The president of the Christian Democratic Party said that they agreed with the president of the nation on the need to strengthen and improve our democracy. That was only natural, because our party drew up the Democratic Charter which Alfonsin has contributed to and signed, Cerro said. He added: The spirit and the letter of that charter compels us to defend the democratic and constitutional system, the state of law, and a government freely chosen by the people.

President Alfonsin has said, Cerro added, that he is the president of all Argentines, not just of one political party. We Christian Democrats share this feeling and are perfectly willing to respect the result of the elections held on 30 October 1983.

Peron Statements Lauded

PY231900 Buenos Aires DYN in Spanish 0105 GMT 23 May 84

[Text] Buenos Aires, 22 May (DYN) -- The Justicialist National Council tonight expressed its support "for everything said by the head of the movement and party president, fellow worker Isabel Peron, upon initiating the dialogue" with President Alfonsin.

The Justicialist Council this evening issued a communique signed by Lorenzo Miguel, first vice president; Rodolfo Ponce, press secretary; and Carlos Spadone, political secretary, saying that "the confidential report given by this council to the head of the movement was written after consulting all the organized movement sectors," while "not ignoring that the final strategic decision lies in the hands of the higher leadership."

The text of the communique reads as follows:

"Because of contradictory press reports, the members of the Justicialist National Council express the following:

"1. On Monday, when the meeting in the Casa Rosada concluded, this council met and expressed its support for everything said by the head of the movement and party president, fellow worker Isabel Peron, upon initiating the dialogue with the national government.

"2. The confidential report given by this council to the head of the movement was written after consulting all the organized movement sectors to serve her as a thoughtful guide, while not ignoring that the final strategic decision lies in the hands of the higher leadership.

"3. The concepts expressed by Isabel Peron when she began this dialogue with the government clearly reflect the patriotic vocation to serve the country that has always distinguished our movement. This great and generous attitude deserves reciprocity from the other side participating in the dialogue."

JUSTICIALIST COUNCIL REPORTS SITUATION TO PERON

PY240000 Buenos Aires TELAM in Spanish 1039 GMT 22 May 84

[Excerpt] Buenos Aires, 22 May (TELAM) -- The confidential report which the National Justicialist Council delivered to Isabel Peron says that the national government has made an open effort to neutralize and divide the opposition. The report also indicates that the labor problems are multiplying as a logical consequence of the government's inability to meet exaggerated electoral campaign promises.

Today several morning dailies reported that Mrs Peron rejected the idea of introducing the so-called report on the Justicialist situation during her conversation with President Raul Alfonsin as part of the political dialogue yesterday.

The Justicialist Party document says that one of the outstanding characteristics of the national situation is that the power of the government to obtain popular support has considerably weakened. The 22-page report harshly criticizes the government, excepting the leaders of the National Line and authentic Balbin supporters, who are identified as moderate and who are now in the front line calling for agreement and a system based on the two-party doctrine.

In the introduction the report says that it was prepared by the National Justicialist Council based on consultations with the party's nation executive board, the governors, the 62 Peronist organizations, the General Labor Confederation (CGT), and the bloc of senators and deputies. The Justicialist document says that the government is weak because its future depends on Alfonsin's leadership and the attitude of the opposition and that the alarming situation is an accurate picture of the state of the nation. However, the document recognizes that the current problems are the consequence of the faulty policies implemented by the de facto regime which governed the country until last December.

FOREIGN MINISTRY RAPS ARTICLE ON U.S. RELATIONS

PY240100 Buenos Aires TELAM in Spanish 1708 GMT 23 May 84

[Text] Buenos Aires, 23 May (TELAM) -- The Foreign Ministry today explained that the information published by the newspaper TIEMPO ARGENTINO regarding a statement by Foreign Minister Dante Caputo on our country's relations with the United States is distorted, out of context, and untimely.

Foreign Ministry spokesman Albino Gomez noted that the published information only partially represents an interview Minister Caputo granted to journalist Armando Puente earlier this month during the minister's stay in Madrid. The name of this journalist was printed under the information published.

In the item published under the headline "Caputo Admits Fears of Possible Separation From United States," TIEMPO ARGENTINO indicated only that the foreign minister expressed concern about a gradual loss of capacity for mutual understanding between the United States and Argentina. Regarding the headline under which the item was published, the San Martin Palace spokesman said that the least that can be said about it is that it lacks depth and is misleading because it is linked to a call to the major powers for nuclear disarmament by the presidents of Argentina and other countries.

GOVERNMENT DECREE RESTRICTS FOREIGN INVESTORS

PY220025 Buenos Aires Domestic Service in Spanish 2000 GMT 21 May 84

[Text] The national government has suspended the right that foreign investors had to transfer dividends abroad and to repatriate their investments. The respective decree states that it is necessary to adopt measures to preserve the level of the country's reserves in view of the difficulties encountered in connection with the payments on the obligations with the external sector. The decree also establishes that investors will be entitled to receive in government external bonds payable in foreign currency [titulos de la deuda publica externa en moneda extranjera], the equivalent of the amount they wish to transfer abroad.

Prohibits Transfer of Profits

WA221200 Rome IPS in English 22 May 84

[Text] Buenos Aires, May 22 (IPS) -- The Argentine Government has prohibited the transfer of company profits outside the country, Economy Minister Bernardo Grinspun announced here today. The move, aimed at protecting the country's foreign reserves, was seen as part of the administration's program for renegotiating Argentina's foreign debts. The foreign debts totalled $41 billion by last December, according to a report by Grinspun last week.

Foreign investors who want to transfer funds out of Argentina must ask the state to convert the sum into government bonds redeemable in Argentine pesos. The bonds, which were already in existence before the new transfer ban, are negotiable on the Argentine and international financial market at an interest rate slightly higher than LIBOR. If converted into dollars out of the country, the bonds are worth 72.5 percent of the current peso dollar exchange rate.

Grinspun termed the measure "a way to meet investors' demands." Requests for foreign exchange transfers have been piling up in the Central Bank, he said, but the government has lacked the currency to comply with them. The pending petitions to the Central Bank are for transfers totalling about $500 million.

Grinspun said priority is being given to the requests for transfers to pay for imports. "Those who must distribute profits or repatriate capital can choose from two options: If they are in a hurry, buy the foreign bonds, or if not wait, until we have foreign exchange available," he explained. The Argentine Government has issued bonds worth $4 billion so far.

Other action on Argentina's debt renegotiation efforts came May 19 in a joint statement signed by President Raul Alfonsin and the Brazilian, Colombian, and Mexican presidents. The four heads of state called for a united Latin American position on the foreign debt and protested over the latest rise in the U.S. prime interest rate. The four presidents also announced plans for a meeting of Latin American foreign and economy ministers to study the Latin American foreign debt, now estimated at $350 billion.

Argentine officials have set a foreign exchange reserve goal of $1.7 billion by June 30, which is seen as the deadline for renegotiating the country's debt payments. The former Argentine military government froze foreign investments and profits when Argentina went to war with Britain over the Falkland (Malvinas) Islands in 1982.

JUSTICIALISTS ISSUE STATEMENT ON FOREIGN DEBT

PY240010 Buenos Aires TELAM in Spanish 0217 GMT 22 May 84

[Text] Buenos Aires, 22 May (TELAM) -- The bloc of Justicialist Party senators today issued a statement emphasizing that "it cannot support the steps which the national executive branch is taking to renegotiate the foreign debt and indicated that the main objective of the questioning of the economy minister last week "was not fulfilled because of the questioned official's inability to provide answers."

The statement also added that the lack of an economic program and a specific and suitable method for dealing with the nation's crisis poses severe threats about which the Justicialist bloc warns the executive branch.

The lengthy statement, over 5 pages long, pointed out that a comparison of Grinspun's answers to the senators revealed serious and dangerous contradictions and hesitancies which could turn out to be extremely harmful to the nation. It added that the government does not have duly documented, precise, and complete records of the scope and nature of the debt; it is unaware of specifics without which it is impossible to manage a problem of such complexity, and the motives and components of public debt are unknown.

The statement labeled as procastinating and hestitant the attitude of the current government "toward action which must be taken against the officials responsible for the unjustified debt and who, according to Minister Grinspun himself, failed to keep proper records." In this regard the Justicialist senators say that in view of this situation they believe there is clear inefficiency and a complete lack of power to face the problem with decision.

The document, in one of its paragraphs, refers to the lack of political and judicial decisions to bring to trial the local agents representing international interests. In another paragraph the document says that the evidence that officials of the former military regime are participating in various aspects of the negotiations of the current government cast shadows over the government negotiations and that this is a sign of danger to national interests.

The document also refers to the open contradictions among officials of the executive branch, Minister Grinspun, and presidential adviser Raul Prebisch, whose decisions regarding the foreign debt have been labeled as decisions made by two separate Argentine representatives. The document says that the short-term approach on the foreign debt made by the minister lacks valid foundations of a material, conceptual, technical, and political nature, and that the government's hesitancy on the debt threatens to extend it over several generations of Argentines.

The Justicialist senators say that the minister's remarks do not lead to a belief that a clear, coherent economic program has been conceived, and that Grinspun's statements in this regard, which are not free from rhetoric, are merely wishful thinking, full of hesitations and abstractions.

Regarding the answers given by the economy minister during the questioning, the document says that only 40 percent of the questions were answered acceptably, that 48 percent were not answered at all, and that the remaining questions did not receive acceptable answers.

In conclusion the document labels as positive the president's promise -- so far unfulfilled -- to prepare an autonomous economic program, the recognition that the legislative branch has constitutional powers to intervene in the negotiation of the foreign debt, and the minister's acceptance of the Justicialist proposal to have the financial establishments share a greater part of the foreign debt.

ASTIZ AT DISPOSAL OF ARMED FORCES COUNCIL

PY240306 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1725 GMT 23 May 84

[Text] Lieutenant Commander Alfredo Astiz today remained at the disposal of the Supreme Council of the Armed Forces after he was questioned in connection with the investigation of the responsibilities of high-ranking officers in the defeat of the Malvinas war, a reliable source has reported.

Astiz entered the offices of the Supreme Council at 0700 in order to avoid journalists or onlookers and he left using an alibi, thus dodging the watch instituted by NA journalists. Lt Cdr Astiz, whom the Rattenbach Report blames for having surrendered his troops stationed in the Georgias Islands without putting up a fight, also faces serious charges with regard to outrages committed during the struggle against subversion.

By passing this judgment against Astiz, the Surpeme Council concluded the first phase of the trials of high-ranking officers who were held accountable by the Rattenbach Report. It has already handed down three strict preventive custodies for General Galtieri, Admiral Anaya, and Brigadier Lami Dozo, and it has placed 13 other high-ranking officers at its disposal as well.

NATION JOINS CONVENTION ON AIRCRAFT EMBARGOES

PY230242 Buenos Aires Domestic Service in Spanish 2000 GMT 22 May 84

[Text] An authoritative spokesman of the Argentine Foreign Ministry has said that Argentina has joined the international convention on aircraft embargoes. The communique's text states that if a nonimpoundable aircraft is embargoed, the seizer will be held responsible for the damages caused to the owner of the aircraft. It also states that embargoes will not be applied as a precautionary measure in bankruptcy or in similar cases, but namely in violations of customs laws.

UNION STRIKE PARALYZES RAILROAD SERVICES

PY232125 Buenos Aires Domestic Service in Spanish 1600 GMT 23 May 84

[Text] The railroad strike ordered by the four unions of railroad workers is being complied with in full. The strike was confirmed yesterday after the talks held at the Department of Labor Relations of the Labor Ministry failed. The railroad workers are demanding an emergency salary hike of 5,000 pesos, a minimum wage of 11,000 pesos, and the end of the intervention of their unions.

The Mitre, San Martin, Belgrano, Roca, Urquiza, and Sarmiento railroad lines are totally paralyzed, which means that 100 percent of the workers have complied with the order to strike. In view of this situation, Argentine Railways has indicated that all international services and long distance runs scheduled for today will depart tomorrow.

Meanwhile, Luis Etchezar, president of La Fraternidad Union, has announced that the representatives of all four railroad workers unions will ask for a meeting with Economy Minister Bernardo Grinspun and Public Works Minister Roque Carranza in order to come up with some solution to the conflict. Etchezar said that if the meeting does take place the ministers will be asked for an advance payment in order to alleviate the serious economic plight of the workers. He reiterated that there is total compliance with the strike, and union leaders will meet again on Monday at the headquarters of La Fraternidad.

BOMBS EXPLODE IN MILITARY COURT, UNION OFFICES

PY231535 Paris AFP in Spanish 0457 GMT 23 May 84

[Text] La Paz, 22 May (AFP) -- It has been officially reported that a high-powered bomb exploded last night in the main offices of the military court and that the explosion killed a guard. Another bomb exploded at the same time in the premises of the Press Workers Union of La Paz. No one was killed or injured. The military court is currently trying seven alleged guerrillas who were captured with weapons in the Luribay area (southeast of this city) toward the end of last year. These attacks take place in the midst of acute social unrest caused by the corrective economic measures that Hernan Siles Zuazo's government approved on 12 April 1984.

MINISTRY DENOUNCES TELEPHONED BOMB THREATS

PY240259 La Paz Cadena Panamericana in Spanish 0000 GMT 24 May 84

[Excerpt] Different sectors of the population have received anonymous telephone calls in the last few hours. This is how some individuals using the telephone and protecting themselves with anonymity have unleashed threats of all kinds. They announced by phone that bombs were going to explode in several locales and buildings. The calls were reported to the Interior Ministry.

The Interior Ministry did not hesitate to label the current situation as very delicate and note that there are elements interested in destabilizing the process. The under secretary of the interior, concerned over the wave of telephone calls, alerted the population to this psychological campaign unleashed by individuals who protect themselves with anomymity to make their threats. Under Secretary of the Interior Gustavo Sanchez said:

[Begin Sanchez recording] We are really facing an emergency situation. Many public and private offices and institutions in La Paz are receiving anonymous telephone calls warning that within hours or minutes bombs are going to explode in their buildings. We have mobilized the entire La Paz police. We have mobilized the services of the Interior Ministry to prevent any criminal act. [end recording]

The under secretary of the interior clearly pointed out to the population that they should not panic as this is what the antisocial elements are trying to create through this type of phone call.

SHORTAGE OF FUNDS THREATENS SMELTING ENTERPRISE

PY230256 La Paz Radio Illimani Network in Spanish 1700 GMT 22 May 84

[Excerpts] The National Smelting Enterprise [ENAF] has been placed on emergency status in view of the impending paralysis motivated by the strike of Central Bank employees. The lack of funds, which are channeled through this bank, for the purchase of certain components and raw materials, has pushed the ENAF to the very point of collapse.

The minister of mines and metallurgy has reported that the government has implemented several emergency measures to solve ENAF's problems so that there will be no need to turn off tin smelting furnaces, which would give rise to several negative effects that will be very expensive to correct.

Minister Carlos Carvajal said that one of the measures would be to allow foreign buyers of Bolivian minerals to pay for their purchases with the required inputs.

REPORTS CONFLICT ON PROGRESS OF UDP-COB MEETING

PY240323 La Paz Cadena Panamericana in Spanish 0000 GMT 24 May 84

[Text] The talks between members of the National Executive Committee of the Democratic and Popular Unity [UDP] and top leaders of the Bolivian Labor Federation [COB] are continuing. Our correspondent reported from the headquarters of the Bolivian Government Oil Deposits that Interior Minister Federico Alvarez Plata came out of the meeting. On this occasion the minister said that there are several points of agreement between the government and the COB and that the first meeting between the UDP and the workers was positive. A few minutes later COB leader Amando Morales Gomez also came out of the meeting making statements totally contrary to the remarks made by the interior minister. Morales Gomez indicated that the government is again using delay tactics, giving as proof the submission to the government economic experts of the COB proposals for consideration. Therefore, said Morales Gomez, we cannot yet talk of concrete results.

GOVERNMENT SAYS ADN FORMING PARAMILITARY GROUPS

PY230220 Madrid EFE in Spanish 1702 GMT 22 May 84

[Text] Cochabamba, Bolivia, 22 May (EFE) -- Today the Bolivian Government charged the rightist party "Nationalist Democratic Action" (ADN) with forming paramilitary groups with the goal of unleashing a coup d'etat. General Hugo Banzer Suarez, who was Bolivia's president from 1971 to 1978, is the leader of ADN.

Members of the state security agencies raided the home of an ADN follower in the town of Punata where, according to certain reports, arms were seized.

Government officials have stated that former military leaders presumably linked to the cocaine traffic are abetting the formation of paramilitary groups.

The name of former Colonel Norberto Salomon was mentioned. Salomon has repeatedly been charged by the government with being involved in a new coup plot. Salomon published a paid advertisement in the local press today in which he denies the statements made by the government and states that he is under medical treatment, which prevents him from leaving La Paz.

On the other hand, ADN deputy leader Guillermo Fortun, has labeled the accusations made by the Interior Ministry as false and, in turn, charged the government with pursuing an intimidatory policy against the political opposition.

Fortun stressed that the reason for raiding the home of one of ADN followers was robbery.

EMFA CHIEF ON MILITARY COOPERATION WITH U.S.

PY231212 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 May 84 p 6

[Text] Rio de Janeiro -- The Armed Forces Staff (EMFA) is considering the creation of a special group that will define the basis of the new military cooperation program with the United States, in keeping with the terms of the memo signed during the visit that George Shultz paid to Brasilia. The program includes cooperation between U.S. and Brazilian arms manufacturers and, according to EMFA chief Brigadier Waldir Vasconcelos, it will entail no political commitment.

Nevertheless, Brazil might be subject to political restrictions in connection with the exportation of weapons built with U.S. technology. But it will not be compelled to directly endorse any U.S. political position, such as in the specific case of Central America, in which the solutions that Washington has proposed for Nicaragua and El Salvador are different from the ones supported by Brazil. The transfer of advanced technology is Brazil's main interest in the cooperation program. That is why, the EMFA chief reports, a memo was signed with the United States; and the memo will now begin yielding practical results.

The U.S.-Brazilian military agreement was denounced by the Brazilian Government in 1977, when the then U.S. President Jimmy Carter tied military assistance to the human rights record in recipient countries. Now, the memo of cooperation signed during the visit by Shultz has opened prospects for a closer U.S.-Brazilian exchange.

High-ranking military sources have said that from now on, it is expected that the U.S.-Brazilian cooperation will not follow the same paternalistic standards of the past, high-ranking military sources said. In the past, bilateral cooperation was restricted to the sale of second-hand material and to courses offered by U.S. institutions, without an actual transfer of U.S. military technology to Brazil.

The Ministry of Aeronautics announced yesterday that two U.S. ASIT [Air Force Institute of Technology] [as published] technicians will arrive in June to work at the Technical Institute of Aeronautics [ITA]; one of them will work in the informatics area and the other one in the propulsion area, the latter being of more immediate interest from the military standpoint. The technicians' arrival will mark the resumption of bilateral cooperation in the area of space technology; it will also mark the reestablishment of actual cooperation ties between the ITA and the U.S. Air Force Institute of Technology.

In the naval area, Navy officers have attended courses in the United States; technological cooperation with the Brazilian shipbuilding sector might be agreed upon during the negotiations to be held this year.

After the termination of the old U.S.-Brazilian military agreement that was in force in the early seventies, when Admiral Adalberto de Barros Nunes held the post of Navy Minister, the Navy approached the British. Three submarines were built by Great Britain and orders for four frigates were later placed (the two others were built by the Rio de Janeiro shipyard).

The nationalization of technology has been a usual Armed Forces' policy. In the seventies, this policy helped strengthen the national industry, particularly in the case of companies like Engesa [Specialized Engineers Inc] and Avibras [Brazilian Aviation Company], which have become international market suppliers.

DEBTORS CLUB NOT SOUGHT; FAVORABLE TERMS WANTED

PY240215 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 22 May 84 p 37

[Excerpt] The joint note signed by Brazil, Mexico, Argentina, and Colombia represents a "warning" by the governments of these countries to the international financial community and to countries imposing high protectionist barriers on imports, especially the United States. The joint note also constitutes a step toward obtaining, in future negotiations, better terms of payment on the foreign debt, as well as better conditions for exporting their products.

This interpretation was provided by economic area sources which explained that there is no intention, at least on Brazil's part, to form a debtors club for joint negotiations of the foreign debt. However, even though the solution to their foreign debt problems should be negotiated separately, these four countries and others that may yet support the terms of the note will sit at the negotiation table supporting common viewpoints that will be worked out at the meeting of foreign and economy ministers to be held, possible in June.

The countries of the Third World, especially those carrying large foreign debts like Brazil, Mexico, and Argentina, are in no position to indefinitely withstand the continuous rise of interest rates in the United States and, consequently, in the rest of the world. Each notch upwards in this process raises the debt balance by hundreds of millions of dollars.

The sources continued to say that the current terms for servicing the interest and principal of the foreign debt are quite unfavorable. For instance, take Brazil's case: It will have to disburse nearly $11.8 billion in servicing interest and principal this year; that is, a sum higher than the $9-billion trade-balance surplus expected out of $24 billion worth of exports, which is only achieved with great effort, on one side, and the restraining of imports on the other side.

ALLIANCE TO PROMOTE CONSENSUS CANDIDATE FORMED

PY231540 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 23 May 84

[Excerpts] Wednesday's newspapers will headline that an alliance has been formalized between the moderate groups of the PMDB [Brazilian Democratic Mobilization Party] and Acting President Aureliano Chaves. The objective of the alliance is to promote ample national understanding, so that Aureliano Chaves may turn out to be a consensus candidate at the Electoral College. The alliance was formalized during a meeting of the acting president with congressmen of the so-called unity group, made up of moderate PMDB politicians, who are a majority of the party.

If Aureliano Chaves were to be chosen as a consensus candidate to succeed President Figueiredo, the PMDB should support him.

In an audience with Pao de Acucar businessman [name indistinct], Chaves talked with him about politics and economics. The acting president considers it important that a government of national reconciliation suceed Figueiredo and that the country be mobilized in support of the next president. In the economic area, Chaves considers important the protest against the increase of international interest rates, in the terms expressed by Brazil, Argentina, Mexico, and Colombia last week.

YUGOSLAV DELEGATION VISITS MINAS GERAIS

PY240128 Brasilia Domestic Service in Portuguese 2200 GMT 23 May 84

[Text] Yugoslavia is interested in Brazilian agricultural products. Today a Yugoslav trade mission met in Belo Horizonte with (Arnaldo Rosa Prata), secretary of agriculture of Minas Gerais, to discuss exchanges between Brazil and Yugoslavia. (Prata) emphasized the Yugoslav interest in strengthening links with Brazil, particularly in the area of cooperatives.

[Begin (Prata) recording] We had an opportunity to explain to the visiting delegation the prospects of agriculture in Minas Gerais. We also heard from the head of the visiting delegation of the interest of the Yugoslav Government in strengthening trade. [end recording]

The Yugoslav mission will leave Belo Horizonte for Brasilia, Sao Paulo, Parana, Rio Grande do Sul, and Rio de Janeiro.

OIL SUPPLY NOT AFFECTED BY PERSIAN GULF CONFLICT

PY230216 Brasilia Domestic Service in Portuguese 2200 GMT 22 May 84

[Excerpt] Speaking in Rio de Janeiro today, Petrobras commercial department director Carlos Santana said that Brazil is no longer concerned over importing oil, even from the Middle East. There is plenty of oil on the international market, prices show a downward trend, and our country has a substantial stock with a considerably increased production and lower consumption levels, he added.

Concerning the risks that the Iran-Iraq conflict has posed to the exportation of oil through the Persian Gulf, Santana said that the situation does not affect Brazil much, because our dependence on the oil produced in that region is only 36 percent. He remarked that Brazil can do without that oil because we have many other sources.

He explained that our situation, from the viewpoint of oil, is so comfortable that we can impose conditions on our suppliers, asking them to buy our products.

UNEMPLOYED WORKERS DEMONSTRATE IN RIO DE JANEIRO

PY230327 Porto Alegre Radio Guaiba in Portuguese 0200 GMT 23 May 84

[Excerpts] Some 600 unemployed transportation workers staged a demonstration in downtown Rio de Janeiro today, causing a 6-hour traffic jam. Waving banners and signs, and shouting "we want jobs," they protested the single shift system and criticized the acting president of the legislative assembly. The demonstration, which began in the morning, ended by mid-afternoon as a military police antiriot squad took action to end the traffic jam, which had paralyzed vehicles around the Praca (Quinze) and on neighboring streets. Two demonstrators were arrested on charges that they had attacked a policeman.

BRIEFS

WEAPONS MANUFACTURERS PROFIT -- Four military equipment manufacturers have reported 23,528,000,000-cruzeiros [as published] profit in 1983. The IMBEL, ENGESA, D.F. Vasconcellos, and TAURUS Military and Civilian Arms posted profits of 3 billion cruzeiros, 18,641,000,000, 225 million, and 662 million respectively. [Summary] [Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 May 84 p 18 PY]

FOREIGN MINISTER MEETS ASEAN SECRETARY GENERAL

PY231541 Santiago Domestic Service in Spanish 1100 GMT 23 May 84

[Text] Foreign Minister Jaime del Valle has met with Chan Kai Yau, secretary general of the Association of Southeast Asian Nations [ASEAN]. The meeting took place at the Red Hall of the Chilean Foreign Ministry, and the visitor explained the reasons for his trip to this part of the American continent. ASEAN's secretary general said that one of the main goals of his visit is to establish contacts between Southeast Asian nations and Chile. The ASEAN is made up of five nations: Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

TAIWAN CONGRESSMEN TOURING AREA ARRIVE

PY231817 Santiago LA TERCERA DE LA HORA in Spanish 16 May 84 p 11

[Text] A group of 10 senators from the Republic of China will arrive today in Santiago. The group is visiting several Central and South American countries. This is the first group from the legislative branch of the Rebpulic of China to visit Chile in 10 years.

During their stay in Santiago, the congressmen will carry out various types of activity to strengthen the friendship that exists between the two counties. They will also meet with members of the Chinese colony and will visit tourist attractions. They will leave Chile on Saturday, 19 May, to continue their trip to other American countries.

ARMY ANNOUNCES REDUCED HOURS ON TRAFFIC CURFEW

PY232035 Santiago Domestic Service in Spanish 1730 GMT 23 May 84

[Excerpt] General Osvaldo Hernandez, inspector general of the Army, has stated at La Moneda Palace that the decision to reduce the curfew hours on vehicular traffic is aimed at facilitating the circulation of vehicles for an additional hour daily. The inspector general has said that the decision adopted by the chief of the (?emergency zone) is that this restriction will be maintained according to the following schedule: from 0200 to 0500, including weekends.

PARTY LEADER SCORES DIALOGUE WITH COMMUNISTS

PY240320 Santiago Domestic Service in Spanish 2300 GMT 23 May 84

[Excerpt] (Carlos Castro), secretary general of the National Action Union, has stated that the dialogue with the Communist Party that is being promoted by Monsignor Santos violated previous agreements establishing that contacts will only be held with democratic trends. He noted that Concepcion Archbiship Jose Manuel Santos had invited several democratic groups, including some that are members of the Democratic Alliance [AD], to a discussion to seek a peaceful transition to democracy at a time in which there is an increase in Marxist violence.

(Castro) added that the National Action Union had attended these meetings but that it expressly noted that it will not accept any Marxist representative at these meetings in view of their totalitarian condition. He noted that in trying to achieve a meeting between the AD and the Communist Party, Monsignor Santos is violating pre-established agreements.

OPPOSITION LEADER CLAIMS HARASSMENT; PLEA FILED

PY231542 Santiago Domestic Service in Spanish 1100 GMT 23 May 84

[Text] A political leader of the opposition appears to be involved in a strange situation. The person in question is Jorge Mario Quinzio, president of the Social Democratic Movement, who has claimed that he is being harassed.

Quinzio's layer Marcial Mora has explained that while a plea for an injuction is being filed before the Court of Appeals, Quinzio will stay out of circulation. Other sources have indicated that the politician is staying at some unspecified Latin American embassy.

The situation, according to Marcial Mora, will probably be clarified within the next few hours and Quinzio will return to his home and resume normal activities.

[Paris AFP in Spanish at 0500 GMT on 23 May reported that Chilean Social Democratic leader Jorge Mario Quinzio tonight sought shelter at the residence of the Venezuelan ambassador in Santiago after unknown individuals tried several times to raid his residence.]

'Guest' At Venezuelan Embassy

PY240020 Santiago Domestic Service in Spanish 1730 GMT 23 May 84

[Text] Political leader Jorge Mario Quinzio is reportedly a guest at the Venezuelan ambassador's residence. It should be mentioned, however, that Venezuela has no ambassador here at this moment. The Venezuelan Embassy is now in the hands of Charge d'Affaires (Jorge Osvaldo Gamboa). The embassy is located [words indistinct] near (Pedro de Valdivia) Avenue. For the time being, only a Carabinero stands guard at the place.

Meanwhile, the Venezuelan charge d'affaires did not go to the embassy this morning. It has been said that he will go to the Foreign Ministry this afternoon to explain the situation.

Chilean Foreign Minister Jaime del Valle will hold a press conference at approximately 1530 today. There was no mention of the subject to be discussed.

Returning to the above-mentioned subject, sources of the so-called Democratic Alliance have stated that political leader Jorge Mario Quinzio is reportedly at the residence of the Venezuelan ambassador as a guest and not as a refugee. They added that Quinzio decided to go to the Venezuelan Embassy when unidentified persons proceeded to raid his home. But (?the police) have denied that Carabineros are persecuting this political leader.

The Venezuelan Embassy has declined to either confirm or deny the report. The Fourth Court of Appeals (?has refused to accept) a court injunction presented on behalf of Jorge Mario Quinzio, according to court sources.

MDP'S INSUNZA MEETS ITALIAN MINISTER IN ROME

PY230349 Paris AFP in Spanish 2045 GMT 22 May 84

[Text] Rome, 22 May (AFP) -- Oscar Mammi, Italian minister [without portfolio] for relations with Parliament, today received Jaime Insunza, the secretary general of the Chilean Popular Democratic Movement (MDP) who was recently expelled from his country, a Chilean committee in Rome has reported.

Insunza, who arrived yesterday in Rome, asked Mammi that the Italian Government mediate with the Chilean Government so that he be allowed to return to Chile. Mammi pledged to convey Insunza's request to the Council of Ministers.

The MDP (made up of communists, dissident socialists, and MIR [Movement of the Revolutionary Left] members) secretary general started a European tour in Rome to ask European governments and parliaments to look into his case and that of Leopoldo Ortega, a member of the Chilean Human Rights Commission, who has also been expelled from Chile. Both leaders were detained separately in Santiago on 6 April and expelled from Chile on 7 April.

RELATIVES OF MISSING DETAINEES MARCH IN SANTIAGO

PY240242 Santiago Radio Cooperativa in Spanish 1715 GMT 23 May 84

[Text] Relatives of missing persons this noon staged a spontaneous demonstration to draw attention to the missing persons issue. Some 30 mothers, wives, and sisters of persons who were detained over the past 10 years marched down Ahumada Street to the Plaza de Armas.

This group has released a statement saying that it has been asking for justice and truth for 10 years, that it has been asking for help to find those guilty for the crime of the disappearance of persons, and that it has been trying to learn the whereabouts of their relatives. The group mentioned in their statement that it is not possible to live calmly in a dreadful atmosphere.

Waving a placard that read: "We Want the Truth," the demonstrators called on the people to be sensitive to the tragedy of missing persons. They also stated that the struggle for regaining truth and justice is also aimed at preventing a repetition of such dreadful events.

The relatives of missing detainees are commemorating the international week for the missing which, in Chile, features a call for national awareness on this issue.

BRIEFS

HOUSING UNITS -- Housing and Urbanization Minister Brigadier General Roberto Guillard Marinot today handed over 1,592 housing units in the district of Puente Alto. With these units and others that have been built in different parts of the capital it has been possible to eradicate 18 camps in Puente Alto, San Miguel, La Florida, Pudahuel, La Reina, and Las Condes. He also announced that new housing units are to be built in order to completely eradicate the camps in this capital. [Summary] [Santiago Domestic Service in Spanish 1730 GMT 8 May 84 PY]

TRADE, PAYMENT BALANCE, RESERVES -- The survey department of the Central Bank yesterday reported that the Chilean trade balance recorded a $217.3-million surplus over the first quarter in 1984. It reported that up to 31 March, exports reached $941.3 million and imports reached $724 million. It was also reported that the balance of payments between January and March 1984 posted a cumulative surplus of $45.1 million. International reserves reached $2,064,500,000. [Excerpts] [Santiago LA TERCERA DE LA HORA in Spanish 26 Apr 84 p 8 PY]

BOGOTA ROCKED BY BOMBINGS AIMED AT U.S.

PA231312 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 23 May 84

[Text] Bogota -- The capital experienced a night of terror as a result of a number of dynamite attacks staged by unidentified elements, leaving an aftermath of 2 people killed, 11 others injured, and losses initially estimated at 20 million pesos.

According to the police, a total of eight bombings hit the capital in a period of 6 hours. The terrorist wave began after 1730, when a powerful bomb exploded in the offices of the Honduran airline SAHSA, located in Tower A of the Bavaria Building on 10th Avenue and 27th Street. The explosion caused damage in several neighboring offices, killing two apparent members of the terrorist group and injuring 11 other people.

In a coordinated action, two other bombs exploded at 2305 near the U.S. Embassy, on 37th Street and 13th Avenue. Another went off near the Ecopetrol [Colombian Petroleum Enterprise] (?Medical Center). A car-bomb also exploded in front of the PRC Embassy, near the residence of U.S. Ambassador Lewis Tambs. The fifth bomb went off at 2320 in the IBM offices on El Dorado Avenue and 78th Avenue. A sixth device went off at the Colombian-American Center, located on 19th Avenue and 3d Avenue. Some 20 minutes later, another bomb exploded on 19th Avenue and 37th Avenue, in front of the offices of International Telegraph, ITT of Colombia.

The city was practically militarized a few moments later as both police and the military authorities took control of the city, establishing mobile posts and conducting careful inspections in various parts of the city, while the state's secret services undertook to guard and control the entire urban area.

The District Security Council, which met until late in the evening, will meet again today to adopt special measures to prevent a repetition of these incidents. According to the report prepared by national police, the eighth device exploded after midnight in the offices of the IBM company, located on (?Suga) Avenue and 100th Street, in northern Bogota. The official report indicated that three other explosive devices were deactivated in several parts of the city by members of the National Police's F-2 anti-explosives group.

A few hours before the terrorist escalation began, several citizens reported the theft of their vehicles, one of which, a Renault 18 to which official license plate AO1194 was attached, was used in the terrorist attack perpetrated near Ambassador Tambs' residence, on 3d Avenue and 76th Street.

Most of the dynamite attacks were carried out against property owned by the U.S. Government, U.S. multinational companies, or private institutions aided by that country.

Only three people, members of the group that entered the offices of the Honduran airline SAHSA, have been detained by police as the presumed perpetrators of this terrorist wave.

Meanwhile, the Popular Liberation Army [EPL] has condemned the terrorist escalation that shook this city in the last few hours, claiming that these incidents merely hinder the peace process in which various social sectors and the government are engaged.

A man who identified himself as an EPL member phoned this station and said that these dynamite attacks not only endanger the lives of people who are not involved in the country's political process but also hinder the contacts in pursuit of peace that are currently underway at various levels.

This repudiation has come at a moment when the country is anticipating the agreement on a cease-fire and truce that the 19 April Movement, M-19, and the EPL will sign with the National Peace Commission. The commission, which is the government's advisory body for issues related to peace, presented a basic document to spokesmen appointed by the two subversive groups last week for the purpose of formalizing the aggreement prior to next Monday, when the agreement that was signed in La Uribe with the Revolutionary Armed Forces of Colombia, FARC, will fully go into effect.

FARC Front Claims Bombings

PA231240 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 23 May 84

[Text] Bogota -- The dissident Ricardo Franco Front of the FARC [Revolutionary Armed Forces of Colombia] claimed credit a few moments ago for the actions carried out against several U.S. diplomatic and commercial buildings in Bogota, declaring that the idea is to force Lewis Tambs, the U.S. ambassador in Colombia, to leave the country. We believe that with Tambs in Colombia there will be no peace, said a woman who phoned this station to claim credit for the terrorist actions, in which 2 people were killed and 11 others were injured and which resulted in heavy damage in the Colombian-American Alliance Teaching Center, the offices of ITT and IBM, the U.S. Embassy, and several buildings located near U.S. offices in Bogota.

According to the woman, other actions against U.S. interests in Colombia were also carried out in Cali, Medellin, and Bucaramanga. The spokeswoman admitted that several of the attackers at the offices of the Honduran airline SAHSA died in the action because of an error. We did not mean to injure anyone, but huamn errors are made in these cases, the spokeswoman added. She explained that Honduras was chosen as the target for this terrorist action because that country is permitting the use of its territory for what she termed a campaign of aggression against Nicaragua. Our organization will continue its relentless struggle against U.S. imperialism until true peace is achieved here in Colombia, the terrorist group's spokeswoman said in conclusion.

RCN STATIONS FORCED TO AIR REBEL COMMUNIQUE

PA231430 Madrid EFE in Spanish 1410 GMT 23 May 84

[Text] Bogota, 23 May (EFE) -- A Radio Cadena Nacional (RCN) station was forced to broadcast a communique over its 60 radio stations this morning by the self-styled "Western Military Force [Fuerza Militar de Occidente]" after it kidnapped journalist Maria Ines Pantoja, news director at the radio station in Cali, the capital of Cauca.

The newswoman was released minutes after the communique was broadcast, the opinions of which RNC noted it did not share at all, adding that it was broadcasting the communique to protect the life of the kidnapped journalist.

In the communique, the kidnappers stated that they will pursue the armed struggle for now, "although we are keeping the doors to dialogue open."

DECREE SAYS MILITARY OFFICERS TO ACT AS POLICE

PA240252 Bogota Domestic Service in Spanish 1730 GMT 23 May 84

[Government Decree issued in Bogota on 23 May]

[Text] The president of the Republic of Colombia, exercising the powers granted to him by Article 121 of the Constitution and the provisions stated in Decree No 1038 of 1984:

Whereas, by Decree No 1042 of 2 May 1984 military courts were ordered to try crimes under Article No 37; Paragraph 1 of Article No 38; and Article Nos 40, 41, 42, 43, 44, 45, 46, 49, 50, and 51 of Decree No 1188 of 1974, the National Statute on Drugs, and related decrees;

Whereas, Decree No 1056 of 4 May 1984 gave to commanders of brigade, naval, or Air Force bases authority to apply the sanctions contemplated in Article No 1 of that decree;

Whereas, Decree No 1058 of 4 May 1984 gave to commanders of brigade, naval, or Air Force bases authority to hear cases under Article (?201) of the Penal Code, amended by Article 7 of Law No 35 of 1982;

Whereas, Decree No 1060 of 5 May 1984 amends certain provisions of Decree No 1188 of 1974, the National Statute on Drugs, and issues other provisions;

Whereas, for the investigation of criminal violations under military courts it is necessary to grant police powers to officers of the military forces;

Whereas, it is indispensable to regulate these powers so that they will be compiled with in accordance with the other judicial police organizations, decrees:

Article No 1: As long as the state of siege remains in effect, and for the purposes of cases attributed to military courts through Decrees Nos 1042, 1056, 1058, and 1060 of 1984, the officers of the military forces appointed by pertinent authorities will have judicial police powers.

Through a resolution, the country's attorney general will add to the judicial police those officers from the military forces chosen in accordance with the previous article [as heard], as established by Decree No 521 of 1971.

Article No 2: The officers of the military forces incorporated into the judicial police will exercise their duties in the event of an emergency or when for any reason the arraigning official or the judicial police mentioned in Article No 275 of the Penal Code does not intervene.

The permanent personnel of the judicial police will continue to exercise their duties regarding the crimes turned over to the military criminal justice because of the decrees mentioned in the previous article. The office of the attorney general will continue to exercise vigilance over and coordinate the activities of the judicial police.

Article No 3: The officers of the military forces acting as judicial policemen will exercise those duties subject to the dispositions included in Volume II, Title I of the Penal Code.

Article No 4: This decree will become effective as of the date of its issuance and renders all contrary regulations inoperative.

[Signed] President Belisario Betancur and all government ministers

FINANCE MINISTER SUPPORTS DOCUMENT ON DEBT

PA232006 Quito Voz de los Andes in Spanish 1130 GMT 23 May 84

[Excerpts] According to a document that was reportedly discussed at a meeting of foreign and economy ministers from Argentina, Brazil, Colombia, and Mexico and other Latin American nations, these countries, which are those in the region with the greatest debts, are planning to ask for a 15-year period to repay their foreign debt to U.S. banks.

A draft of the document, disclosed in Bogota, stated that the repayment of the debt will begin in the 7th year and that the payment of interest will differ for each country, in accordance with its ability to recover economically.

Meanwhile, the economic outlook for the area's countries is rendered increasingly somber with the results of a poll conducted by the National Association of Economists of U.S. Businesses, which indicates that the prime rate will go from 12.5 to 13 percent per year in December.

Pedro Pinto Rubianes, minister of finance and public credit, said that such interest rates seriously damage the economies in Latin America. In our country, he said, they represent an additional 2 billion sucres in expenses. This will have a serious impact, and Ecuador must join the other Latin American countries in complaining to the international banks about this situation, he added.

[Begin Pinto Rubianes recording] In Ecuador's case, we have figured that each half point increase in interest rates represents about 2 billion additional sucres in expenses. Thus, the revenues that Ecuador obtains from income taxes, trade, etc., are, in my opinion, being wasted when we have to pay for an increase in interest rates. It has a genuinely serious effect on our economy. So, I believe that, as the president has already indicated, Ecuador must join in the claim that will be made by the other Latin American countries. [end recording]

POLICE ARREST 161 PERSONS IN DRUG OPERATION

PA230338 Quito Radio Quito in Spanish 2300 GMT 22 May 84

[Text] The Specialized Service Against Drug Addiction [Servicio Especializado en la Lucha Contra la Drogadiccion] has reported that 161 individuals have been arrested on charges of drug trafficking, possession, and consumption of various types of drugs. In addition, 4 vehicles and 17,000 sucres have been confiscated.

The reports noted that Interpol has been helping in a nationwide operation, which has led to the arrest of citizens involved in this illegal business.

According to Interpol, the Province of Guayas has seen the largest activity in drug trafficking and consumption, and is therefore the province where police efforts have been concentrated. In this province alone, 21 persons have been arrested for drug trafficking, 2 for possession of drugs, and 54 for drug consumption.

BELAUNDE SUPPORTS MEETING ON FOREIGN DEBT

PY231325 Paris AFP in Spanish 1900 GMT 22 May 84

[Excerpt] Lima, 22 May (AFP) -- Peru has given its full support to the call made by Argentina, Brazil, Colombia, and Mexico for a meeting of the ministers of all Latin American countries to deal with their foreign debts, and has even gone a step further by offering Lima as the venue for this continental meeting. The initiative of the presidents of those countries seeks to create a common stand regarding the growing interest rates and the amortization terms for the overwhelming debt of over $350 billion, whose servicing has placed the entire region on the verge of bankruptcy.

President Fernando Belaunde, who should lead this crusade, according to the APRA [American Revolutionary Popular Alliance], the main opposition party, last night granted his full support to the project. We will participate because of our spirit of solidarity and because we are lucky in making headway toward a solution, Balaunde said. The president referred to the certainty that the installment of the Peruvian debt that is to be paid before July 1985 will be refinanced for 9 years with a suitable interest rate, according to promises given by international banks ($2.4 billion) and the Paris Club ($850 million).

In turn, the Peruvian second vice president, Senator Javier Alva, has proposed that Peru offer to host this conference. I wish it could be a meeting of presidents, because there is a pressing need to coordinate efforts and jointly face the burden of the staggering public debt, he said.

PRESIDENT DEMANDS RECIPROCITY FOR AIRLINES

PY232150 Lima Cadena Panamericana Television in Spanish 0300 GMT 23 May 84

[Excerpts] Considering the termination of the rights relative to the air transport service granted to the U.S. air carriers Eastern and Challenger, the Transport and Communications Ministry has stated that the U.S. authorities are against a balancing of rights for the airlines of the two countries. In this regard, it adds, the United States has imposed restrictive measures.

The Transport Ministry adds that when Peru denounced the agreement signed in 1946, our country accepted provisional agreements, but once these agreements were implemented, the U.S. authorities began to propose formulas aimed at increasing the rights of their airlines, systematically refusing to admit the imbalance existing against the Peruvian companies. Referring to this problem President Fernando Belaunde tonight stated that an agreement of absolute reciprocity between Peru and the United States is required to reach a solution. He added that Peru will not submit to the demands of Eastern Airlines, because it would involve an action against our airlines.

Peruvian Transport Minister Carlos Pestana has stated that the government will defend our air enterprises in view of the U.S. disposition to reduce the rights of the Peruvian airlines to fly to that northern country. He added that no pressure of any nature will be accepted, and added that Peru will act precisely in the same manner as the United States does with its enterprises.

SANGUINETTI COMMENTS ON W. EUROPEAN TOUR

PY230251 Madrid EFE in Spanish 0240 GMT 21 May 84

[Excerpt] Montevideo, 20 May (EFE) -- Colorado Party presidential candidate Julio Maria Sanguinetti tonight said that to the extent that Ibero-American nations admit their own mistakes they will be great and will be held in high regard by the world.

Upon returning from a tour of several European countries, Sanguinetti told reporters that Ibero-American nations must display the results of their efforts to achieve maturity. "The world will respect us if we are able to show our democratic achievements and if we are able to say that Ibero-America is no longer the continent of dictatorships," he added.

The Colorado leader, who met with Spanish, Italian, French, FRG, and British officials and politicians, said that he realizes that "we should not only ask from the developing world but we should also show that we are aware of our own limitations." Sanguinetti pointed out that his statement was not the result of a negative attitude but of the observation of the mistakes made by the countries of the area, which incurred staggering foreign debts mainly because of an arms race fueled by narrow-minded nationalism.

POLITICAL PARTIES TO HOLD DIALOGUE WITH MILITARY

PY240138 Madrid EFE in Spanish 0312 GMT 23 May 84

[Text] Montevideo, 22 May (EFE) -- After several weeks of uncertainties, Uruguayan political parties tonight decided to hold negotiations with the military to democratize the country. After almost 3 hours of meeting, representatives of the three parties authorized by the regime, the "Colorado," the "Blanco," and the "Civic Union," along with the proscribed "Broad Front" of the left, decided that negotiation is the only possible alternative. At the same time they demanded a climate of peace, freedom, and respect for fundamental rights to begin negotiations.

Dialogue between the military and the politicians has been suspended since 5 July 1983, following disagreements that emerged on possible constitutional amendments.

The Uruguayan military leaders want authoritative rules, such as those established after the coup of 27 June 1973, while the politicians want a "democracy without tutelage." On 1 May 1984 the military presented an agreement plan changing their demands, but the "Blanco" Party rejected it flatly.

The other political groups continued with their talks within the "Intraparty Group," which only today was fully established when the "Blanco" Party returned to the meeting.

In a communique released tonight the four Uruguayan parties ratified their desire to demand elections with no exclusions, and proposed that any constitutional amendment be submitted to the popular will, through a plebiscite.

NEW DEMONSTRATIONS SCHEDULED FOR 27 MAY

PY231546 Buenos Aires TELAM in Spanish 0306 GMT 23 May 84

[Text] Montevideo, 22 May (TELAM-ANSA) -- A new day of peaceful national protest will be held on Sunday, 27 May, sponsored by the political leadership opposed to the government. An intersectional commission, which groups representatives of political parties and important social organizations, is in charge of preparing the protest. It will consist of the banging of pots and pans, voluntary blackouts, rallies in different points of the capital and in the interior, and the reading of a proclamation.

Although the organizers have not made any statement in this regard, the leaders of these organizations have repeatedly stated that the Sunday demonstration, in the same way as the overwhelming street rally held 6 months ago, will demand effective democratizing measures. It has been reported that the major demands will focus on free elections with no proscriptions, real freedom of the press, and short-term economic measures.

REPORTS SAY DOCTOR'S DEATH CAUSED BY TORTURE

PY230259 Madrid EFE in Spanish 2301 GMT 18 May 84

[By Alberto Pepe Leira]

[Text] Montevideo, 18 May (EFE) -- The violent death of a physician while he was being interrogated for alleged subversive activities at a military barracks in the interior of the country has enhanced the confrontation between the opposition and the Uruguayan regime.

The publication today of the autopsy results revealed details of torture on the body of Vladimir Roslik, a Russian-born physician who had been residing in an agricultural colony in the interior of the country. Twenty-four hours after Roslik was arrested, the police returned his body. Roslik died on 16 April at the barracks of the Infantry Battalion 9, located in Fray Bentos, 330 km northwest of Montevideo. Based on an autopsy performed by a military physician shortly after his death, the authorities said that Roslik had died of a "cardiorespiratory arrest."

The physician's widow had a second autopsy performed within 24 hours of death by a specialized group of four professionals who found enough evidence to say that the cause of death was physical violence. This autopsy was performed in Paysandu, 380 km northwest of Montevideo.

From the first, this case was published by the international press, but was only gradually reported in local newspapers. The people were moved by these reports.

The government of Gregorio Alvarez has been pressured by the National Human Rights Commission, numerous social organizations, and newspapers of all leanings to clarify the circumstances surrounding Roslik's death. After confirming that the death at the military unit was caused by a "cardiorespiratory arrest," the government remained silent. Later it was officially announced that the military was analyzing the case. A third autopsy was ordered but no results have yet been released.

With the signature of Manuel Flores Mora, a former senator and minister and a member of the Colorado Party, the weekly JAQUE today published telltale details about the death of Roslik, saying that, by reporting on the case, it fulfills its duty of informing the country. The JAQUE report mentions "rupture of the liver," external signs of mistreatment, blows to a rib, "foreign liquid" in the lungs, death by "asphyxiation," and "the heart unbelievably sound."

The indignation caused by this report has raised a new element of tension in the already strained political atmosphere in Uruguay, 190 days before the general elections announced by the military regime to put an end to 12 years of dictatorship. All political parties have repudiated the death of the physician, who had been arrested several times before but always released because no evidence could be found of his involvement in guerrilla activities, as alleged by the authorities.

This fact has had another serious consequence at this special time in the country. The dialogue between the political parties and the Armed Forces cannot be resumed.

Since the Armed Forces took over the government, after disbanding the Tupamaro guerrillas, almost 10 persons have died in circumstances that were not clarified, and 17 persons have disappeared after having been apparently arrested. Rejecting "medieval methods" of torture, politicans are noting the perpetration of a violent killing at a time when the country is pacified and "order and tranquillity" prevail, according to the military slogans to justify the Armed Forces' long regime.

Military Officer Dismissed

WA221305 Rome IPS in English 22 May 84

[Text] Montevideo, May 22 (IPS) -- The military officer in charge of an Army base where a political prisoner died in mid-April has been dismissed from his post, following a campaign by opposition political parties and other organizations to pressure for clarification on his death. Lt Col Mario Olivera was removed as commander of the Army's Ninth Battalion based at Fray Bentos, on Uruguay's western coast with Argentina, the Uruguayan daily EL DIA reported today.

The prisoner, 35-year-old physician Valdimir Roslik, died in custody after forces of the military government arrested him and seven others in an operation to root out what the military described as "subversives linked to the Communist Party" The military reported, in an April 21 statement from the Army's Second Division Command, that Roslik died from "a cardio-respiratory arrest."

But critics, including opposition political figures and others, demanded that the government investigate Roslik's death and provide a detailed report. The Colorado Party, one of the three legal political groups in Uruguay, called on the regime to "make public testimony of all the physicians present at the autopsies carried out" and any other facts available on the incident.

Enrique Moras, the attorney pursuing the case, said today that three others arrested along with Roslik have been freed. Two of the eight who were detained are still in military custody. Moras said that further information on Roslik's death will probably be made public this week.

RELATIONS WITH ITALY DESCRIBED AS TENSE

PY240035 Montevideo EL DIA in Spanish 17 May 84 p 9

[Text] Relations between Uruguay and Italy continued "unchanged" [congeladas] because our diplomatic representation in Rome does not have an ambassador since Ambassador Marques Sere was named head of our diplomatic mission in Buenos Aires. Due to this situation, Italian Ambassador Tomaso di Vergottini in the last few weeks has held several meetings with Foreign Minister Maeso aimed at overcoming a situation which in some circles has been labeled as very delicate.

It should be recalled that a few years back during a conflict between the two countries over the Bruna Stefania child case -- a case widely covered by the Uruguayan and Italian press -- Ambassador Marques Sere was called back for "consultations" and the charge d'affaires was left in charge of the embassy. Some time later, about mid-1983, Marques Sere returned to Rome for only 3 months until he was assigned to a new mission in the Argentine capital. The situation has remained unchanged ever since and according to diplomatic observers this situation has annoyed Italian officials, who believed reciprocity should exist on this issue.

Regarding this matter, Di Vergottini said yesterday during a conversation with EL DIA that "obstacles" for the formal relations between the two countries exist. However, he was optimistic about overcoming them soon. He also said that he held meetings with Foreign Minister Maeso on this matter but did not disclose whether the meetings were positive.

Regarding other matters, the Italian diplomat said that he is going to make efforts to develop trade, which decreased considerably during 1983. Yesterday Di Vergottini visited the Italian Chamber of Commerce in Uruguay to attend the chamber's executive board meeting to familiarize himself with trade between the two countries.

After the meeting the ambassador said that trade decreased last year to $31 million, a figure below the 1982 trade. He blamed this situation on the international recession but said that he was optimistic that trade between Italy and Uruguay will return to traditional levels in the near future. In conclusion he emphasized that he will concentrate his efforts in the political field to overcome the tense situation.

DEBATE OVER INCREASE IN OIL PRICE, GULF WAR

WA240740 Rome IPS in English 21 May 84

[By Alejandro Kirk]

[Text] Caracas, May 21 (IPS) -- Venezuela's oil price rose today, sparking debate here over whether the government is taking advantage of current tensions in the Gulf surrounding the war between Iran and Iraq.

The 63-cent price increase brought Venezuelan heavy crude up to $24.65 per barrel. Venezuela's average exports of 780,000 barrels per day of heavy crude account for more than half of the country's total oil export earnings.

Observers here agree that, whether or not the Venezuelan Government is taking economic advantage of the gulf tensions, Iran's and Iraq's attacks on ships in the Gulf and the restrictions on navigation there are already affecting the world oil market. Former Venezuelan President Carlos Andres Perez commented today that the benefits Venezuela may see from a "catastrophe" in the Gulf "are not worth achieving at that cost." He called for an emergency meeting of the Organization of Petroleum Exporting Countries (OPEC), of which Venezuela is a member, to mediate between Iran and Iraq.

Venezuelan Energy and Mines Minister Arturo Hernandez Grisanti, who announced the oil price hike May 19, denied that the decision was linked to the Gulf tensions, arguing that the price increase was a result of market improvements in the last few months.

But independent legislator and oil expert Leonardo Montiel Ortega termed Hernandez' argument "banal," since if Venezuela does not profit from the Gulf situation, "the multinationals will, on the spot market of daily sales."

Economist Trino Diaz noted that as a result of the Gulf war, the open market prices in Rotterdam have already begun to rise, and predicted that if the Strait of Hormuz is closed, Venezuela's oil earnings may increase by about $1 billion in the second half of 1984. Today's price increase represents additional earnings for Venezuela of $110 million for the rest of this year.

Venezuela is depending on oil export earnings to meet payments on its $33 billion foreign debt.

Although the profits from the latest oil price increase are a mere drop in the bucket in relation to the debt commitments, the president of the house of deputies finance committee, Armando Sanchez Buenos, noted that the increased earnings "strengthen our position on the international financial market."

The administration of Venezuelan President Jaime Lusinchi is adamant that Venezuela will not need to sign an accord with the International Monetary Fund (IMF) to renegotiate debt payments -- a stance which is supported by opposition and labor sectors here.

The increased oil earnings "will help create confidence in our currency and help execute programs to reactivate our economy," said Sanchez Buenos, a member of the ruling Democratic Action (AD) Party.

Deputy Jose Miguel Uzcategui, of the opposition COPEI party, asserted that any unilateral decision by Venezuela "could weaken Venezuela's negotiating position in OPEC." And Doming Maza Zavala, economic adivser to the Venezuelan Worker's Confederation (CTV), the main trade union confederation, expressed a similar view.

"We must hold to the promises made to OPEC," he said, and not "hope for strokes of luck to improve the country's earnings."

Maza Zavala, one of the most respected economists in Venezuela, said it would be "regrettable" if the Gulf war results in unusually high income for Venezuela, because it would cancel out the government efforts to guide Venezuela toward a path of austerity. Senator Pompeyo Marquez of the Movement Toward Socialism (MAS) party, the third largest political group, noted that "Venezuela is behind on the price matter" compared to Mexico, which raised oil prices one month ago. Marquez said he does not understand Oil Minister Hernandez's remarks, and said the minister is trying to ignore what is happening in the Gulf.

"The oil route is a war zone," Marquez noted, "and this will translate into an increase in income." "There is a situation whose duration we cannot determine, but which has direct repercussions on oil prices," he said.

Communist Legislator Radames Larrazabal termed the price increase an "important claim" which should not be linked to "opportunistic exploitation" of the Gulf war.

Venezuela's oil earnings represent 96 percent of the country's total foreign exchange income, projected at about $14 billion this year.

BRIEFS

NEW AMBASSADORS -- The following persons have received appointments or transfers to various Venezuelan embassies: Francisco Alvarez Chacin, ambassador to the GDR, to replace Fernando Gerbasi, who has been transferred to the EEC; Hamry Touron, ambassador to Suriname. Touron, until now ambassador to Trinidad and Tobago, will replace Bonifacio Velasquez y Gonzalez, who in turn has been appointed ambassador to Guyana. Sadio Garavini, the current ambassador, has been appointed to the Venezuelan Foreign Affairs Ministry in Caracas. General Jose Gregorio Gonzalez Rodriguez, until now ambassador to Lebanon, has been appointed ambassador to Haiti. [Summary] [Caracas EL NACIONAL in Spanish 8 May 84 p D4 PA]

DE LA MADRID REPORTS ON TRIPS TO CANADA, U.S.

PA230450 Mexico City EL NACIONAL in Spanish 19 May 84 p 5

[Message to the nation by President Miguel de la Madrid on 18 May; place not given]

[Text] Fellow countrymen:

Just as I reported to the Mexican people the results of my trip to five Latin American countries, I want to do so today regarding my visits to Canada and the United States.

As I explained when I requested the corresponding permission from the Permanent Commission of the Congress of the Union, the objective of both visits was to strengthen and tighten Mexico's relations with those North American countries.

We are close neighbors, and we must promote a dialogue between the northern and southern regions of the continent. I believe such a dialogue is necessary to discuss and promote solidarity and cooperation in the hemisphere in view of the very difficult economic situation that the Latin American countries are experiencing. Today more than ever we need a harmonious and productive continental coexistence that will permit economic and social development to benefit all peoples, as well as the political stability and peace that is endangered.

That is why I met in Canada with its governor general, Prime Minister Elliott Trudeau, and the members of his cabinet. I addressed the Parliament. I met with academicians, journalists, and businessmen.

Canada is the largest country of the continent and the second largest in the world. It is rich in natural resources and highly industrialized in strategic sectors. Its population -- small in relative terms compared to its more than 9-million-square-km area -- of 25 million inhabitants has a high standard of living, a diversified culture due to its basically English and French origins, and constitutes for Mexico an important opportunity to increase our foreign trade due to the truly complementary character of our economies. To give you a figure that shows the potential of that commercial exchange, I will remind you that between 1970 and 1980 our trade increased sevenfold. To promote that potential we signed understandings and agreements to encourage our trade and joint investments with their respective mechanisms of financial support. In the area of tourism, close to 400,000 Canadians visit us each year. That is why we also signed a cooperation agreement in this field.

I want to stress that the great similarity of principles and viewpoints in Canada's and Mexico's foreign policies permitted both governments to reaffirm our interest in peace and disarmament, dialogue and detente between the superpowers; the peaceful solution of controversies, especially regional ones; and the North-South dialogue in the area of the new international economic order. Prime Minister Trudeau has stood out in promoting these causes during his almost 15 years as Canadian prime minister.

Regarding my visit to the United States, I must stress the systematic and permanent character of our dialogue with that country, a dialogue that has a prominent importance in our foreign relations.

We share with the United States a 3,000-km land border through which 2 million people cross daily.

Two-thirds of our foreign trade is with the United States. Eighty percent of direct foreign investment comes from that country. Most of the creditors of our foreign debt are U.S. banks, either based in the United States or in other international financial centers. The cultural nfluence between the two countries is intense in both directions; especially in the U.S. south, one increasingly hears more Spanish spoken. The Mexican culture has entered the United States through various aspects, and we should do more in this regard.

Nevertheless, the difference in wealth and power between the two countries is enormous. That is why Mexico has sought to establish with the United States an honorable and appropriate relationship based on reciprocal respect and the search for mutual benefit. Our political principle is the consolidation of our national independence; however, being a mature nation, we try to have cordial relations without complexes and based on understanding and respect for our different national identities. The frankness of our dealings and our dialogue has established a cordial friendship between peoples and governments.

In my talks with President Reagan -- the third I have held with him -- and with the officials of his government, I stressed subjects of bilateral interest. Our relations are intense, constant, and cover a broad range of interests. I stated that it is necessary that the U.S. Congress ratify the Maritime Borders Treaty, that we resolve the differences in the area of tuna and shrimp fishing rights, and that we increase cooperation for the improvement of the border environment, especially in the ecological area and in general for the economic development of the common border. I stated that Mexico insists on respect for human and labor rights of the migrant workers. The Mexican workers who go work in the United States help the U.S. economy, and, of course, they also represent benefits for us.

Topics of an economic nature received special emphasis. I stated that Mexico's economic recovery is in the interest of both countries, and that to achieve this, we need U.S. cooperation in two fundamental areas: commerce and financing.

In regard to trade, I sought understandings that would prevent obstacles to our products' access to the North American market. Protectionist groups in North American productive sectors are constantly putting pressure on North American authorities and on their tax and trade committees. They claim, without sufficient cause, that we engage in unfair trade practices. According to them, we excessivley subsidize exports and engage in "dumping." What they actually want to do is to protect North American products, which are sometimes manufactured at a very high cost and with which our products compete. In this context, we succeeded in obtaining an offer from the North American government to submit a draft agreement on compensatory taxes to Congress and private organizations for consultation, so that it may be concluded in the near future. I hope that this will give us better tools to defend ourselves from the inappropriate and sometimes excessively automatic application of these taxes.

Both of our governments expressed willingness to continue to explore broader formulas for expanding our trade relations and investments, in accordance with the regulations and priorities in each country. I insisted to President Reagan that the United States cannot ask Mexico for a strict application of the principle of trade reciprocity. "We buy so much and sell so much" would not be an equitable principle in the case of countries with such disparate economic potentials.

On the subject of financing, I stressed that Mexico must be able to continue its efforts to refinance its foreign debt with reasonable deadlines and costs. We made a great effort to refinance Mexico's foreign debt in 1983 and are still doing so in 1984. However, I am already worrying about what will happen from 1984 to 1989, and I want to arrange things so that my government's economic policy will have some breathing space insofar as the payment of Mexico's foreign debt is concerned, not only during my term but afterward. I also expressed my concern about the tendency of interest rates to rise. In this regard, I received an offer from the North American authorities to continue their cooperation with Mexico, which, as they emphatically admitted -- and I am pleased to say so, by the way -- is making an earnest and effective effort to overcome its economic crisis and to resume its development on sound and firm foundation.

Generally speaking, insofar as bilateral issues are concerned, President Reagan and his aides promised to review our proposals with interest and good will and to try to make decisions on them as soon as possible.

I also raised Mexico's concern over the severe economic crisis plaguing Latin America, to which I referred extensively in my talk with you 6 weeks ago, with the North American government.

I stressed that the cooperation of the United States and the industrialized countries in general is urgently required to maintain continental solidarity and the social and political stability of our sister nations. I raised the same point in my talks with IMF Managing Director Jacques de Larosiere, World Bank President Alde Clausen, and IDB President Antonio Ortiz Mena.

I also exchanged views with President Reagan and his aides on the Central American conflict, the growing violence of which is of particular concern to Mexico. The two sides agreed that it is necessary to settle the controversies and to strive for political negotiation and a dignified and lasting peace, within the Contadora framework. President Reagan told me that he does not intend to send North American troops to Central America. For my part, I reiterated Mexico's conviction that a peaceful settlement of the controversy and the conflict, which worries us so much, can only be achieved through respect for the self-determination of peoples and the principle of nonintervention, regardless of the source of intervention.

I spoke on bilateral and international matters, as well as on Latin American and regional issues, at a joint session of the U.S. Congress, where I was cordially and respectfully received because of Mexico's great prestige. I also met extensively with the Foreign Relations Committee of the North American Senate.

In short, fellow citizens, we accomplished the goals of my state visits to the United States and Canada: to engage in dialogue; to assert our principles and interests; to promote and expand our dignified and cordial relations; and to enforce our foreign policy for the superme purpose of serving the people of Mexico, as a responsible member of the international community.

The task of managing and developing our foreign relations is an honor to me and it is stimulating to represent our vigorous and industrious people, who have upheld their sovereign rights with valor and talent and who have won the respect and admiration of other nations. I hope that I have personally helped to consolidate the prestige of the great people of Mexico and have served their interests in a loyal and dignified manner.

Thank you very much, compatriots.

PEMEX REPORTEDLY TO REDUCE OIL SALES TO U.S.

PA240209 Managua EL NUEVO DIARIO in Spanish 21 May 84 p 3

[Text] Mexico City (ANN) — Mexico will reduce its oil quota to the United States to help supply oil to the countries affected by the closure of the Strait of Hormuz.

Sources close to Pemex have said that Mexico will maintain its export policy of 1.5 million barrels per day, even though it has received requests that would raise its sale by 400,000 barrels per day.

Although Mexico's oil production could meet this demand, it will continue to respect the current oil policy so as not to affect the international oil market.

If the Iran-Iraq conflict in the Persian Gulf worsens and the Strait of Hormuz -- the passageway for a large supply of oil -- is closed, this would create a serious problem for the stability of the international oil market. The destabilization would cause an increase in the price of crude to $40 to $50 per barrel.

As to the Brazilian request for its oil purchase quota to be increased, the sources said this would be a very good opportunity for Mexico to stop depending on only one market, the U.S. market, which today receives 53.6 percent of the total Mexican oil exports.

If we view the U.S. energy problem in terms of national security and the role played by Mexican oil, reducing sales to the United States would not only increase Mexico's capacity to negotiate with other countries, it would also free Mexico from fluctuations which are often manipulations of the U.S. market.

Such a measure would prevent conflicts that would extend to other aspects in the economic, political, and social relationship.

As the supplier for 23 countries, in 1983 Pemex registered a profit of $15,565,000,000. Due to its policy of observing an export limit, Pemex maintained a daily export rate of 1,573,000,000 barrels [figures as published].

SOVIET AMBASSADOR SUPPORTS ARMS RACE INITIATIVE

FL232316 Mexico City NOTIMEX in Spanish 2140 GMT 23 May 84

[Excerpt] San Luis Potosi, Mexico, 23 May (NOTIMEX) -- Soviet Ambassador to Mexico Rostislav Sergeyev has said that the Soviet Union supports the initiative issued by Mexico, India, Sweden, Tanzania, and Greece on stopping the arms race.

The Parliamentary Members for World Order [Parlamentarios por un Orden Mundial] organization, comprised of 600 public officials from 30 countries, had asked the five nation to formulate the initiative, which is directed at the superpowers with nuclear capabilities.

Sergeyev emphasized the USSR's complete agreement with stopping the arms race, but added that, unfortunately, the United States did not hold this position.

He said the Soviet Union maintains its distance on Central America's current situation and that the United States has not been able to prove otherwise.

CABINET ANALYZES ADMINISTRATION OF CANAL

PA232222 Panama City Domestic Service in Spanish 2200 GMT 22 May 84

[Excerpts] The current status of the Panama Canal Administration, as well Panamanian-U.S. relations concerning the administration of the waterway, have been analyzed during a cabinet meeting. In this respect, we interviewed Fernando Manfredo, the Panama Canal Commission's deputy administrator, who had a major role in the cabinet meeting. He made the following statement:

[Begin recording] [Unidentified reporter] In your opinion, have the inconveniences in relation to the Torrijos-Carter Treaties affected the administration of the canal?

[Manfredo] Not really. It is true that Panama feels that in the impementation of the treaties there are some aspects in which there have been some deviations in relation to what the treaties specify and the way in which they are being implemented. However, the treaties must be implemented according to the U.S. laws regulating the treaties.

[Reporter] How are communications between the U.S. and the Panamanian officials who are members of the Panama Canal Administration?

[Manfredo] The relations are more fluid now. Panamanian officials now have a better knowledge of the canal problems, of the implementation of the treaties, and of what Panama's role should be. Therefore, communications are much better and more productive.

[Reporter] What about future steps in the joint administration of the canal? Are there any plans?

[Manfredo] In effect, this was one of the matters we discussed today at the cabinet meeting. We realized that Panama's participation in the administration of the canal has increased day by day. We are also aware of the fact that we are approaching the day when Panama will assume total responsibility. This means that we must not only have adequate strategies, but also must plan accordingly.

[Reporter] What about the implementation of the salary scale? How is this going?

[Manfredo] This is being handled correctly. In other words, all employees will be under the same salary scale.

[Reporter] When will this be effective?

[Manfredo] I think that by the beginning of next year all the employees will be under the same scale. [end recording]

In addition, Foreign Minister Oyden Ortega, who also had a leading role in the cabinet meeting, described how the Torrijos-Carter Treaties are being implemented and some aspects related to the administration of the Panama Canal.

[Begin recording] [Ortega] Today's cabinet meeting was held exclusively to discuss the implementation of the Torrijos-Carter Treaties.

Fernando Manfredo and I participated in the session, as well as other government officials, among them the deputy director of the IRHE [Institute of Hydraulic Resources and Electrification]. The views of the planning minister were not represented. It was stressed at the meeting that there are still some problems in relation to the implementation of the treaties. However, considerable advancements have been made in relation to our demands on salaries, the elimination of the dual salary scale. The subject of the reversion of housing units will be discussed at the next cabinet meeting, in order to make some decisions. Regarding the issue of Panama's share of 30 cents [per ton] in the canal tolls, Panama is studying this matter in order to update this subject, which should be decided in the next few months, in order to comply with the treaties. The most important thing is that Panama is aware of the importance of the implementation of the treaties, of the immediate decisions that must be made at the highest level, and of other aspects that will have to be handled by the new government in relation to decisions to be made in the next few months.

[Reporter] Has there been any violation of the spirit of the treaties?

[Ortega] Yes, we indicated that Public Law 9670, the Murphy Law, establishes certain contradictions, in many cases profound ones, with the letter and spirit of the treaty. We said that despite the advances made in certain areas, other areas are at a standstill, without definition. In these areas, it is necessary to make the binational bodies more dynamic. The U.S. congressmen themselves must become aware of the need to reform Law 9670. Also, Panama must adjust its demands to a new dynamic, to a new work style. We described this as our priority.

[Reporter] Mr Foreign Minister, could you provide some more details about those aspects you have referred to as being at a standstill?

[Ortega] At this point a system for returning the houses should be defined. All the houses currently in the hands of the Panama Canal Commission that they do not need should, as the treaty states, be promptly returned to Panama. Also, in the case of payments to Panama resulting from revenues received by the Panama Canal Commission -- in case of a surplus, these sums should be paid to Panama -- this should be defined, because at present Panama receives practically nothing. We have sent diplomatic notes each time a fiscal year ends because the methods used to report this surplus run contrary to Panama's interest. These surpluses do not benefit Panama because situations that should be the responsibility of the U.S. Government are being charged to the Panama Canal operation.

[Reporter] How much is the country losing in this manner?

[Ortega] There have been years when Panama has received only $2 million when it should have received about $10 million. This is harmful to the economy and should be viewed seriously. [end recording]

ARNULFO ARIAS ANNOUNCES PLANS TO LEAD PROTEST

PA231315 Buenos Aires LATIN in Spanish 0920 GMT 23 May 84

[Text] Panama City, 23 May (LATIN-REUTER) -- Opposition leader Arnulfo Arias will lead a march today in protest of the results of the first presidential elections in the country in 16 years, an opposition spokesman has reported.

Arias, 82, will deliver a note of protest to the electoral authorities who declared officialist candidate Nicolas Ardito Barletta the winner in the 6 May elections on Sunday.

General Manuel Antonio Noriega, commander of the Defense Forces, yesterday warned that the Defense Forces, the former National Guard, will not tolerate any kind of civil disturbances of any kind.

On Monday, supporters of Arias' Democratic Opposition Alliance (ADO) marched through the city, accusing the government party of fraud and protesting the results of the elections that gave Ardito Barletta, a widely respected international banker, victory with 1,713 votes over Arias.

The Defense Forces constitute a former dominating element in Panama's political scene, and, according to diplomatic sources in this capital, the Guard was reluctant to accept a victory by Arias, who has been president of the Republic three times and who was overthrown each times by the military.

An ADO spokesman said that the opposition has asked all of its supporters to join the march through the capital that will take place today, led by Arias and his vice presidential candidates, Ricardo Arias Calderon and Carlos Rodriguez.

The announcement was made after President Jorge Illueca held his customary monthly meeting with Noriega, the Defense Forces commander. After the meeting Noriega told newsmen that his forces "will not tolerate any disruption of the climate of peace that has been maintained in Panama."

"The Panamanian people have enough maturity to know what they are doing," he added.

Meanwhile, Illueca declared that the National Guard will continue "its status as a subordinate" to civilian rule.

ARIAS FILES PLEA TO REVOKE ARDITO PROCLAMATION

PA231712 Panama City Radio Cadena Millionaria in Spanish 1624 GMT 23 May 84

[Text] We are reporting from the Electoral Tribunal. Some 15 minutes ago, Dr Arnulfo Arias Madrid -- together with Carlos Rodriguez and Ricardo Arias Calderon, the vice presidential candidates who were his running mates -- presented a plea to the Electoral Tribunal that its proclamation of Nicolas Ardito Barletta as president be revoked.

In an interview with Radio Cadena Millionaria, together with other media present at the tribunal, Arias Madrid disclosed that this plea is being filed because he feels that he won the elections. He filed the plea with Carlos Bonilla, who represented the Electoral Tribunal, because Tribunal secretary Tomlinson and the tribunal magistrates were not there.

It must also be reported that a large crowd of about 500 people accompanied Arias Madrid when he presented this plea.

At this moment, a group of Democratic Opposition Alliance sympathizers are going to the National Lottery plaza to hold a small rally and to take advantage of the television cameras there [which regularly cover Wednesday's national lottery drawing] so that the people can see just how many people support Arias Madrid.

PDC YOUTHS PEACEFULLY OCCUPY UN OFFICES

PA232359 Panama City ACAN in Spanish 2319 GMT 23 May 84

[Text] Panama City, 23 May (ACAN-EFE) -- A group of youths, members of the Christian Democratic Party Youth, this afternoon "peacefully" occupied the UN offices in this capital city to "protest the electoral fraud" of 6 May.

Moises Joel Bartlett, national secretary general of the Christian Democratic Party Youth, told ACAN-EFE that the occupation of the UN offices was done peacefully, and that they have allowed 10 secretaries and officials to leave.

Bartlett added that only Uruguayan Carlos del Castillo, UN ambassador to Panama, will remain at the diplomatic mission to guarantee that they will not be disturbed by any political group or by the National Defense Forces.

The youths who occupied the UN offices are still in the building, while some 100 sympathizers of the Democratic Opposition Alliance, which participated in the 6 May elections, are out on the streets near the UN offices.

Joel Bartlett said that the "peaceful and symbolic" occupation of the UN offices will end tomorrow morning at 1000 (1500 GMT).

COSTA RICA

LE MONDE INTERVIEWS MONGE ON NEUTRALITY, ISSUES

PM221826 Paris LE MONDE in French 22 May 84 p 5

[Interview with President Luis Alberto Monge by Marcel Niedergang in San Jose -- date not given]

[Text] San Jose, Costa Rica -- Costa Rica's Social Democratic President Luis Alberto Monge is worried and annoyed. He is due to tour 11 European countries in June to explain and defend his country's "neutrality" in the Central American conflicts. He told us that he feels he is "caught in a cross fire." He thinks that little Costa Rica, a democratic country without any real armed forces (the Rural Guard and the Civil Guard number 7,000 men), is "the victim of the growing dangers in the region and also of the differing interests that are exacerbated in the United States during a presidential campaign."

It is true that tension has increased greatly in Costa Rica over the past few weeks. Border incidents with Nicaragua are increasing. The unanimous opinion is that these incidents have sparked off "veritable waves of panic among the population." Some influential groups -- and a section of the press -- have adopted a "belligerent tone" and are talking about fighting the Sandinists. These same groups are criticizing President Monge for trying to stay outside the conflicts and describing his proposal for permanent neutrality as "cowardice."

According to the president, the climate of tension is maintained by articles recently published in THE WASHINGTON POST and THE NEW YORK TIMES reporting "a Reagan plan aimed at making Costa Rica enter into open conflict with Nicaragua" and referring to "the links between some top officials in Costa Rica and the CIA." Of course, Mr Monge said, "these reports are taken up by the Sandinists and feed their prejudice against us."

Indeed, it seems that the "activist" side of the U.S. ambassador in San Jose has recently helped pour fat on the fire. The ambassador hinted that Costa Rica had requested "military aid" from Washington following the latest border incidents. Mr Monge summoned him, and the ambassador published a correction in the 9 May edition of the newspaper LA NACION. "I do not want to manipulate Costa Rican policy," the diplomat wrote. "And I have never advocated an arms race in this country. There is no plan to include Costa Rica in a 'sandwich operation' against Nicaragua. Costa Rica has no army, does not want one, and should not have one..."

Indeed, the head of state explained, "the military equipment which we have just received to strengthen the resources of our Rural Guard was ordered 2 years ago. It is finally arriving. This coincides with the tension, and some people are exploiting this coincidence. It is being suggested that Costa Rica has just requested arms from the United States."

"No One's Satellite"

While clouds are so visibly gathering over Costa Rica, Mr Monge's entourage is wondering whether a 5-week absence is not a dangerous gamble. "I have been forced," he explained to us, "to arrange this tour under the constraint of specific dates. It will end in Lisbon with a Socialist International meeting on Central America. This was what we decided with Mario Soares in Buenos Aires at President Alfonsin's inauguration. And I have been invited to visit the ILO in Geneva. I will be in Paris from 13 to 15 June."

Mr Monge will make a stopover in Liechtenstein -- a country whose royal family has fallen in love with Costa Rica! It is financing cultural programs on the radio. Princess Nora, the prince's daughter, is often in San Jose. To express his thanks, President Monge "will attend mass in Vaduz," the capital of Liechtenstein. He will also visit the EEC in Brussels, and he will see the pope during his visit to Rome.

"I have two main objectives in Europe," Mr Monge said. "First to clearly explain our position, which is misunderstood. We are no one's satellite, especially not that of the United States. We are not a springboard for aggression and we have no armed forces, contrary to what some people claim. Second, I would like to tell the European countries that little Costa Rica is really 'democratic' and needs to be helped. We deserve it as much as, if not more than, Nicaragua..."

Indeed, at present little Costa Rica, which would seem to have nothing but friends, is in a delicate situation and badly needs to find support. For instance, several Arab countries, including Egypt, have just broken off diplomatic relations with San Jose after President Monge, who has close ties with Israel, decided to transfer Costa Rica's embassy to Jerusalem.

Costa Rica is also likely to be in a delicate position in the United Nations at a time when President Monge is trying to get his country's proposed statute of permanent neutrality approved.

Finally, relations with Nicaragua remain very difficult. The Revolutionary Democratic Alliance [ARDE], led by Mr Robelo and Mr Eden Pastora, is increasingly dependent on funds supplied by the CIA, which is demanding practical and serious actions against the Sandinist forces to enable the installation of a provisional government on Nicaraguan territory. From this viewpoint, ARDE's brief occupation of San Juan del Norte in April was rather a failure. But the growing activities of this organization, which enjoys obvious sympathy among the Costa Rican population, are increasing tension between San Jose and Managua. The Costa Rican authorities, who proclaim their neutrality, are having great difficulty in making people respect it. The president is aware of this.

"Two Years To Succeed"

"The Nicaraguans," he said, "claim that Pastora's base is in Costa Rica. That is not true. He has had a base in a bit of jungle in Nicaragua for 1 year. He has asked to see me several times. I have refused. It would be better if he went away, because he is going to draw us into the conflict. He is going to create increasingly serious problems for us. We are sincere and at present we are holding 80 of Pastora's fighters who have been apprehended. Moreover, our people do not like that. We have some crazy people here who would like to see us at war with Nicaragua. But they would be the first to flee to Miami if things turned out badly..."

Mr Monge has been approached by the United States and also by several Central American governments to align more closely with Washington. But he was categorical: "We will not give in."

Mr Monge thinks that his country has become "one of the CIA's platforms against Nicaragua," but he still hopes that the four countries in the Contadora Group will obtain results. "Ronald Reagan has realized and admitted that Costa Rica should not be destablilized. But this does not rule out clandestine operations.

The United States respects us, even though we refused to send observers to the U.S. maneuvers in Honduras. The Contadora Group has decided to send the foreign minister of the member countries (Mexico, Venezuela, Colombia, and Panama) in a delegation to Reagan and Fidel Castro. Progress must be made toward peace. I myself took an active part in establishing direct contacts between Richard Stone and the representatives of the Farabundo Marti National Liberation Front in El Salvador. But we are faced with conditions on both sides. To protect our neutrality we intend to ask once again for permanent civilian and military observers -- at least 20 -- to be sent to the border with Nicaragua. I hope that the Nicaraguans obtain the same thing on their northern border with Honduras. If something escapes us, the observers must be able to certify that it is happening without our knowledge..."

[Niedergang] What progress has been made with your plan for neutral status?

[Monge] I have received approval and encouragement from the Socialist International, from Francois Mitterrand, from Spanish Prime Minister Felipe Gonzalez, and from Pope John Paul II.

An opinion poll shows that 80 percent of Costa Ricans are in favor of neutrality. But we must revise the Constitution, and parliament is balking at that. Some opposition deputies have launched an interminable process of obstruction, which is paralyzing the other major issues that the Assembly is due to examine, but I intend to raise the question again. I have 2 years to succeed.

VARIOUS GROUPS FORM PATRIOTIC ALLIANCE

PA222351 San Jose LIBERTAD in Spanish 4-10 May 84 p 4

[Excerpts] In a news conference held in the Legislative Assembly on Monday, political leaders Johnny Echeverria Brealey, secretary general of the Radical Democratic Party; Alvaro Montero, secretary general of the Socialist Party; Sergio Ardon, secretary general of the People's Revolutionary Movement; and Eduardo Mora, deputy secretary general of the Popular Vanguard Party, announced the principles and bylaws of the Patriotic Alliance [Alianza Patriotica], a political organization that was recently established by democratic and revolutionary parties and prominent national figures, including Jose Rafael Cordero, Javier Solis, and independent Deputy Ricardo Rodriguez.

On presenting the Patriotic Alliance to the national and foreign press, Echeverria Brealey, formerly security minister during the Carazo Odio administration, said that the new political organization has the objective of struggling for a new democratic alternative to the grave problems of Costa Rica. He added that the process of the establishment and consolidation of the Patriotic Alliance is not closed. It is a broad alliance, open to all political and social forces that are convinced of the need to promote a plan of real democratic change.

Replying to questions from newsmen, the leaders of the Patriotic Alliance said that one of the group's main objectives is to participate in the 1986 elections, but they added that it has not been formed exclusively for electoral objectives. The Patriotic Alliance seeks to struggle for the solution of the country's political, economic, and social problems. They added that the Patriotic Alliance groups together political forces of different ideologies -- socialists, communists, social democrats, Christians -- who agree on the need for a real commitment to the popular majorities and for promoting a plan of deep democratic transformations in Costa Rican society.

PVP Views Alliance

PA222355 San Jose LIBERTAD REVOLUCIONARIA in Spanish 11-18 May 84 p 5

[Statement issued by the Popular Vanguard Party, PVP, Central Committee Political Commission: "On the Unity of the Democratic Forces"]

[Text] Our Popular Vanguard Party has highly praised all efforts on behalf of the unity of the democratic and progressive forces to oppose imperialism and the oligarchy. We are convinced -- this is clearly established in our program -- that the installation of a people's government is not going to be the work of a single party, but of a group of political and social forces capable of properly guiding the people's actions.

Led by this belief, we have been part of the Democratic Convergence [Convergencia Democratica] for the past 8 months, but now some of its members have formed the National Patriotic Alliance [Alianza Patriotica Nacional]. We joined the Democratic Convergence inspired by the belief that we should join forces to oppose the IMF's impositions, Reagan's warmongering and adventurist policy in Central America, and the Monge government's unpopular measures. Our colleagues on other struggle fronts with similar views are also working on behalf of this unity.

The parties that have formed the National Patriotic Alliance are giving more attention to electoral matters. They are at this moment thus contributing to dividing the people's forces and have excluded many progressive and revolutionary political groups from the Alliance. It is our belief that at this moment we should seek unity of action to lead the people's struggle for peace in Central America and to defend the country's sovereignty against Reagan's threats, the IMF's imposition, price increases, and all the government's unpopular measures.

The creation of a democratic and progressive electoral front will be the result of common actions carried out as we continue struggling, but never the result of negotiations among ruling groups that do not take the people into consideration. Unity in the struggle will create the needed conditions from which the electoral front will emerge as a result of the people's broad participation. We have the best intention to work in this direction along with other progressive organizations. We maintain that those who are trying to exclude other groups are standing in the way of unity.

Popular Vanguard Party Central Committee Political Commission

EL SALVADOR

TRIAL BEGINS IN KILLING OF U.S. CHURCHWOMEN

PA232248 Paris AFP in Spanish 2128 GMT 23 May 84

[Excerpt] San Salvador, 23 May (AFP) -- The trial of five former National Guardsmen accused of murdering five U.S. churchwomen in December 1980 opened here today with only half the jury present. The court summoned 10 citizens to act as the jury. However, for unknown reasons, only five of them showed up at the courtroom. The trial got under way with only the five jurors.

The trial is being held at the first criminal court in Zacatecoluca, 57 km east of San Salvador, in the Department of La Paz. Several U.S. Embassy officials, three defense lawyers and three members of the district attorney general's office who are acting as prosecutors were on hand at the courtroom.

DUARTE RETURNS FROM U.S., COMMENTS ON VISIT

PA240350 Panama City ACAN in Spanish 0211 GMT 24 May 84

[Text] San Salvador, 23 May (ACAN-EFE) -- Salvadoran President-elect Jose Napoleon Duarte today said on his return from a visit to the United States that he had asked the U.S. authorities and legislators to continue the economic-military aid with the sole condition of supporting Salvadoran democracy.

Duarte returned early this afternoon after having been in the United States since Saturday. He met with U.S. President Ronald Reagan and several congressmen.

The objective of his trip was to express that "El Salvador is a nation with a strong and healthy democracy," the president-elect said in a news conference at the Honor Room of the international airport.

The Christian Democratic leader said he went to the United States as the "first constitutional and civilian president freely elected by the people." Jose Napoleon Duarte defeated extreme rightist Roberto D'Aubuisson in the recent presidential elections.

"We have made clear," he added, "a new concept in relations between nations: the right to govern because people who have achieved respect for themselves must be respected."

The U.S. Congress has pending the approval of $62 million in military aid for El Salvador. The congressional decision on this aid is linked to a number of conditions on the Salvadoran Government.

"All aid is welcome, but it cannot include unilateral conditions because they weaken the ability to govern and confront the problems," the president-elect said.

Duarte added: "We have asked it (the United States) to understand, to help us, not to leave us alone; but the only condition must be its support for our democracy."

"We promise," he added, "to respect human rights on the basis of the universal declaration of human rights."

The president-elect announced that tomorrow he will begin to organize his cabinet, which should take office on 1 June, and he confirmed his desire to ratify current Defense Minister General Eugenio Vides Casanova in his post.

He did not give further details about the officials in his administration nor about military changes. "I am not going to discuss military changes, because that is up to the Armed Forces after they have spoken with me," he added.

Nevertheless, he confirmed that Treasury Police Director Colonel Nicolas Carranza will be relieved of his post, although he did not state the reasons for this transfer. The Treasury Police have been accused of violating human rights. Col Nicolas Carranza has recently been linked to activities of the U.S. Central Intelligence Agency.

Duarte confirmed he received a message from the Socialist International in which "five important members of the leadership" expressed their congratulations and recommended "some ideas for the search for peace in El Salvador."

NATIONAL GUARD TURNS OVER UNIVERSITY CAMPUS

PA222302 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 22 May 84

[Report by Raul Beltran]

[Excerpts] Today at 1130 Colonel Aristides Napoleon Montes, director general of the National Guard; Dr Miguel Angel Parada, rector of the University of El Salvador; and Dr Rafael Moran Castaneda, acting president of the Legislative Assembly's commission for opening the university campus, came to the National University's rectorate to turn over the campus installations. During a simple but highly significant ceremony, the university campus installations were turned over today at 1130. A group of 40 National Guardsmen left the campus in 3 vehicles, thus ending the occupation of the university campus, which lasted 3 years, 10 months, and 26 days.

Rector Miguel Angel Parada offered an exclusive statement to this newscast early this morning to calm the university community, since certain sectors -- namely, the Higher University Council -- had accused him of negotiating the university campus' turnover behind their backs. This was denied by Rector Miguel Angel Parada.

[Begin recording] [Unidentified reporter] Were any conditions imposed on the turnover of these installations?

[Parada] There were none.

[Reporter] Any political conditions?

[Parada] No political conditions. Politics was not involved. We clearly outlined our position on this matter. We said that the university, as a democratic center, cannot violate constitutional rights regarding freedom of expression and organization. We shall maintain a struggle so the university can fulfill its academic role, above all. In other words, we will combine respect for civil rights and our effort for the university to fulfill its academic role. [end recording]

FMLN'S UNGO DISCUSSES DUARTE VICTORY, PEACE

PM221356 Rome L'UNITA in Italian 17 May 84 pp 1, 22

[Interview with Salvadoran Farabundo Marti National Liberation Front, FMLN, leader Guillermo Ungo by Maria Giovanna Maglie in Rome; date not given]

[Text] Rome -- [Guillermo Ungo] "Italian journalists have a strange way of discussing El Salvador. They ask about Duarte and the church as though they were normal forces acting in a country like any other. But El Salvador is not a country like any other, and in order to discuss it one must remember that the two principal forces are the Reagan administration, on the one hand, and the Front, which has kept that regime and administration in check for the past 4 years, on the other."

Guillermo Ungo, the political leader of the Salvadoran resistance, with his English wool suit, calm tone, and moderate language even when leveling terrible charges, is the right man to represent his country's unique cause in distant European capitals. Having rebelled against a sentence to belong in the U.S "backyard," El Salvador has not yet succeeded in shaking off this irksome burden.

The massive injections that Reagan administers to the regime -- advisers, instructors, weapons, the assistance and probing of most efficient secret services -- have hitherto checked the guerrillas' advance without, however, succeeding in making them retreat much from solidly conquered territories, let alone eliminate them. There is a terrible permanent and concealed situation of civil war that the election to the presidency of Christian Democrat Jose Napoleon Duarte -- an old face in a new guise -- seems unwilling or unable to resolve. It was with a question about postelection prospects that we began our conversation with Ungo, who is in Rome for a series of political meetings.

"It is a cosmetic operation," he answered tersely. "Nothing has changed and nothing will change. The representative machinery, the military power, and the Reagan administration's interference are all intact. Indeed, Duarte is ideal for justifying the El Salvador operation in the eyes of Congress and the public. The first results have already been seen: The President has secured further massive and 'unconditional,' or unmonitored, military aid. This is the purpose of the new man Duarte."

[Maria Giovanna Maglie] But he has talked about a dialogue, both before and since his election, about a possible agreement with the guerrillas. Not only that, but Duarte has also promised to shed light on the repression and on Archbishop Romero's assassination.

[Guillermo Ungo] Duarte talks about "dialogue without negotiation," without conditions. I do not see how this is possible. He maintains that it will be necessary to talk with weapons set aside. But the weapons are there and the war is there, and this will continue until things change. No, Duarte is Reagan's tool, all the more dangerous because he is reassuring. He is someone who will press for U.S. intervention, certainly not for national pacification and sovereignty. In the past few days, the church has been calling for something entirely different, namely, the initiation of a genuine dialogue.

[Maria Giovanna Maglie] What kind of negotiations are possible now? There is talk of a stronger threat of direct U.S. intervention, and it is said that it is pointless to place hopes in Duarte, as long as the real power remains intact. Your proposal for the creation of a provisional government until elections open to all are held has not even been considered. No heed has been paid to the diplomatic efforts of the Contadora Group countries, which are in turn suffering stifling economic blackmail from the United States. Is any kind of negotiation possible for El Salvador?

[Guillermo Ungo] When the political and diplomatic committee of the Revolutionary Democratic Front-Farabundo Marti National Liberation Front presented its proposal for an accord in February the elections were imminent. We immediately said that the proposal was equally valid both for before and after the elections. We will now find the way to the forum for a new diplomatic initiative. We stand firm on the points of our platform, the only ones possible for the country, short of an invasion: the formation of a provisional government of national reconciliation, the integration of the two armies following a purge, the drafting of a constitution, and free elections. In order to secure the maximum possible consensus, the government should represent all parties except for the fascist right. The United States, too, should be present at the negotiating table. So, proceeding from these points, which we consider prerequisites, we will be formulating an updated proposal in the coming weeks.

[Maria Giovanna Maglie] There is an odd contradiction: You make profoundly political proposals because you are objectively a force and have strength within the country. Suffice it to say that you control about 30 percent of the territory and have a radio station that broadcasts regularly.

But not only do you seem to lack a domestic and international interlocutor, but what with new bases in Honduras and more intensive exercises along the border, the invasion seems to be a matter of weeks away. Some people are even setting the date, granting Reagan just enough time to be reelected in the November elections.

[Guillermo Ungo] There are many contradictions in our history. Let us talk a bit more about Reagan. His recent speech about Central America leaves no room for doubt: He theorizes about state terrorism in terms of foreign policy. Actions, a number of actions, are bringing this theory to life: the militarization of Honduras and Guatemala, the acts of sabotage against Nicaragua, economic blackmail. But the contradiction is there: Reagan has a great deal of power, he is the leader of a world superpower, but even he has his limitations. His policy needs a medium-to-long term -- the 5 years mentioned in the Kissinger report. In the short term, however, the only solution is direct U.S. military intervention. And this poses some problems even for Reagan. He cannot lightheartedly send "U.S. boys" to die, as in Vietnam and recently in Lebanon. On the other hand, if the efforts of indirect support that he has been making for years against the Salvadoran resistance fail to bear fruit rapidly, before the elections, then the defeat, the failure of Reagan's policy, will be clear to all. Trucks, tanks, helicopters, training officers, secret services, an arsenal of weapons -- an effort that has cost $1 billion in 4 years. It has not been enough to defeat a people's spontaneous army, whose weapons come largely from the U.S. arsenal itself.

[Maria Giovanna Maglie] Does the Front's cause really enjoy the people's support? The 4 years of civil war is a long time, a high price to pay. Some say that the only thing that people want is peace right away, even with Duarte.

[Guillermo Ungo] How could we have resisted for 4 years without the people's support? El Salvador is a small country without mountains, easily monitored from above. The Front has no aircraft, helicopters, trucks, or tanks. Despite merciless repression -- 50,000 killings, tens of thousands of disappearances, 100,000 refugees throughout the world -- strikes and protest rallies have even been organized. There was a very high level of abstention in the elections -- I would say 60 percent -- yet there is reason to be terrified of not voting since it is recorded on your identity card. No, we are confident in our full entitlement to exert our influence in the country: For once it is Reagan who has something to worry about.

VENCEREMOS REFUTES DUARTE ON FOREIGN ARMS

PA230422 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 23 May 84

[All figures as heard]

[Text] Napoleon Duarte has been sent to the United States to request more military aid. In order to justify this, Napoleon Duarte said that the Salvadoran dictatorship's army used 150,000 rounds per day in its war against the FMLN. He should be ashamed to admit publicly that despite the millions in aid being squandered by the puppet army -- in rounds alone they waste 150,000 per day -- they cannot defeat the FMLN revolutionary army. Quite the contrary, if the Gringos do not supply more ammunition and weapons, the imperailist puppet army will crumble.

The dictatorship's army uses 150,000 rounds per day, but nevertheless the FMLN controls one-fourth of the national territory.

We control almost all of Chalatenango Department, and the whole eastern sector of the country is in constant military conflict. Likewise, we control almost all of Morazan Department, northern La Union Department, and northern San Miguel Department, as well as other zones of the national territory. The puppet army uses 150,000 rounds per day, but nevertheless FMLN operations continue to expand throughout the nation.

All the territory under our control, all the attacks we have carried out, all the ambushes we have staged, and all our victories against the puppet army have been achieved with only 2 percent of the ammunition that Duarte claims is used by the army to fight the FMLN. Despite all this, we have inflicted 17,000 casualties on them with barely 2 percent of the ammunition that they -- our enemies -- have used. The enemies of the people and the FMLN insistently say that all our weapons, ammunition, and supplies have been sent from Cuba and Nicaragua; they even say that the Soviet Union is sending us weapons.

Let us make some mathematical calculations. Let us suppose that we receive from abroad 5 percent of what Duarte says the army uses in ammunition alone -- without including weapons, grenades, medicine, etc. We might make the following calculation: 150,000 rounds represent 54,000 tons; then, we would have to receive 1,350 tons per day. Therefore, we would have to receive 68 flights by Hercules airplanes -- those that can carry 20 tons each. In other words, we would have to receive 1 flight every 5 days. If it were C-120 airplanes, we would have to receive 192 flights per year. We all know that only the United States has these types of aircraft, and they are exclusively used by the Salvadoran Army.

If we were to receive 5 percent of the ammunition used by the army in Piper airplanes, we would have to receive 3 or 4 flights per day throughout the year. If the ammunition were sent by sea, we would have to receive 45 large 30-ton ships; in other words, we would have to receive 1 ship every 8 or 9 days. If they were small 5-ton boats, we would have to receive one practically every day.

Anyway, if these ammunition shipments were sent by land, convoys of containers or large trucks would have to cross the Salvadoran border every day carrying the ammunition. Everyone knows, because it is evident, that those airplanes, ships, containers, or trucks carrying ammunition have not entered our country -- unless those men in the puppet army's high command consider themselves so stupid that they have not seen them.

Based on these calculations, it is impossible to assert that the advance and victories of the FMLN against the dictatorship are possible because we are receiving weapons and ammunition from abroad. We can easily reach the conclusion that the FMLN's victories against the dictatorship -- against the army that, according to Duarte, uses 150,000 rounds per day trying to stop us, but has not been able to -- and our unstoppable march toward the working classes' victory are not due to the shipment of weapons from other countries as our enemies say, but to the massive support of the Salvadoran people for their revolutionary army.

Our military superiority and advances are due to the heroism and sacrifices of our people, our fighters, and our revolutionary army; to their belief in the justice of our struggle and their ideological and political firmness. Our enemies have repeatedly said that our weapons and ammunition come from abroad, from other countries, but the reality is different: During the past 4 years we have seized more than 1 million rounds and approximately 10,000 rifles from the enemy. Our main supplier is precisely our main enemy, and with the weapons and ammunition that we have seized from them we are marching inexorably toward national liberation.

PRTC CLAIMS COLONEL'S DEATH, OPERATIONS IN CAPITAL

PA240214 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 May 84

[Text] An urban rebel command of the Revolutionary Party of Central American Workers [PRTC], a member organization of the FMLN, has claimed responsibility for the death of Colonel Fernando Berrios Escobar during an operation called "Death to the Masterminds and Accomplices of the Death Squads." The communique, released to newspapers and local radio stations today, Wednesday, states that in the past few days the PRTC's urban rebel commands have sabotaged the dictatorship's war economy in (Miramonte) neighborhood, (Ciudad Satelite), and other areas of San Salvador. The communique released by the PRTC's urban rebel command adds: Our activities in San Salvador have begun.

FMLN ANNOUNCES ESCAPE OF HIGH RANKING PRISONER

PA240152 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 May 84

[Text] Attention, pay attention to the following information: Radio Venceremos reports that last night, Tuesday, 22 May, Major Napoleon Medina Garay and two other prisoners were able to escape using the cover of night and the heavy storm in the area. We report that a number of patrols have been deployed throughout Morazan Department to recapture the prisoners. We report that our patrols will not be held responsible for what may happen to Maj Napoleon Medina Garay, the butcher of El Junquillo, and to the other two prisoners. We will give you more information on this matter in future broadcasts.

REBELS CLAIM DESTRUCTION OF CASINO IN SAN MIGUEL

PA240232 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 24 May 84

[Text] Attention, pay attention to this military information: FMLN urban commands in San Miguel have destroyed a recreation center of the oligarchs. Attention to this information we have received from San Miguel City.

Today, Wednesday, 23 May, at 0540 FMLN urban commandos completely destroyed the San Miguel Casino located between the (Jardin) and (Milagro de la Paz) neighborhoods of this city. The operation was carried out in an attempt to destroy a recreation center where much money is squandered by the big landowners of eastern El Salvador, a place where they squander the money they have wrung out of their workers, while the people die of hunger because of the high cost of living and the low wages that these landowners are paying them.

GUATEMALA

PEACE COMMISSION MEMBERS RESIGN OVER VIOLENCE

WA241010 Rome IPS in English 22 May 84

[By Felix Loarca]

[Excerpt] Guatemala City, May 22 (IPS) -- The two main figures on a Guatemalan Peace Commission have decided to leave the organization due to frustration over a recent wave of politically-inspired kidnappings and disappearances in this Central American nation. The commission was formed two months ago by the military government and religious, university, and other representatives to look into human rights violations which have often been blamed on government security forces.

The commission's coordinator, Eduardo Meyer, dean of the state-run Autonomous University of San Carlos (USAC), announced that he will leave his post tomorrow. He said his decision was prompted by the recent disappearance of three students and the kidnaping of three indigenous farm workers.

The archbishop of Guatemala City, Msgr Prospero Penados del Barrio, is also leaving the Peace Commission. Other Catholic Church and university representatives will remain on the commission as observers. Spokespersons for the Guatemalan Journalists' Association said that they too may withdraw their support for the Peace Commission.

The commission was created after Meyer met with Head of State Gen Oscar Mejia Victores to express concern over escalating violence against Guatemalan civilians. Meyer said in a press conference yesterday that reports have been confirmed that Carlos Ernesto Cuevas Molina, director of the University Students' Association (AEU), has been abducted. He said that Cuevas, a 23-year-old political science student who is the son of a former USAC dean, was kidnaped May 15 by an unidentified group which forced him off his motorcycle.

Another student, Otto Rene Esada Illescas, was also abducted along with Cuevas, according to the Estrada family.

Meyer also cited the case of humanities student Ruben Amilcar Farfan, an employee in the university publishing office, who also disappeared on May 15. The university workers' union charged that Farfan was kidnaped by government security forces, and called on the military regime to submit the kidnaping victim to regular legal actions if he is suspected of committing a crime. The USAC dean called for an investigation by the military government and security forces to locate the three missing students.

After Meyer's statements, another student abduction was reported. Sergio Alvarado, a 29-year-old economics student, was kidnaped as he left his home in southern Guatemala City, according to USAC spokespersons.

Meanwhile, indigenous farm workers from the Labor Vieja region, about nine miles from Guatemala City, demanded government action yesterday on the kidnaping of three members of their community. They reported that early yesterday morning, a group of armed men dressed in farmers' clothing came into their village and called for the three victims, who are brothers, by name. After locating the three, the group beat them violently in front of their families and then forced them into a car and drove away, according to the community representatives.

Another kidnaping was reported May 20 in Guatemala City. A group of armed men reportedly stopped a car in which two people were travelling and abducted a 28-year-old woman.

POLICE SPOKESMAN DENIES RAID, PERSECUTION

PA230327 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 23 May 84

[Text] Official National Police spokesman Mario Ramirez Ruiz has said that the police authorities have not staged raids against invididuals, and much less against political parties or their leaders. He said that the police authorities have followed specific orders from olice General Director Colonel Bol de la Cruz. Ramirez added that Col Bol de la Cruz has firmly reiterated that all policemen, officers, and chiefs must maintain unconditional respect for human rights. Therefore, such raids do not take place because, by order of the Guatemalan Government itself, there is freedom to carry out political activities.

The police general director ordered the establishment of close cooperation with political parties to ensure the total freedom of action of their leaders. Moreover, the high-ranking police chief ordered the protection of political parties and their headquarters and ordered that their activities not be hampered. Therefore, no raids have taken place, much less seizures of propaganda or persecution of political party leaders.

HONDURAS

ONE U.S. SOLDIER RELEASED IN TRAFFIC ACCIDENT

PA230430 Paris AFP in Spanish 0343 GMT 23 May 84

[Excerpts] Tegucigalpa, 22 May (AFP) -- It has been officially reported that a Honduran justice tribunal today released one of the two U.S. soldiers who struck down a university student while driving a privately owned vehicle.

First Criminal Court Judge Rafael Palacios released Private Anthony Coy, but kept Ralph Johnson under arrest for driving the vehicle that yesterday afternoon struck down 19-year-old Raymundo Padilla in front of the university campus in this city.

The Honduran congress today asked the judicial branch "to apply the full weight of the law against the culprits, if it is justifiable."

NICARAGUA

MANAGUA ACCUSES REAGAN OF SLANDERING REVOLUTION

PA231605 Managua Radio Sandino Network in Spanish 1200 GMT 23 May 84

[Text] President Ronald Reagan said in Washington yesterday that the United States must support the democratic aspirations of the Nicaraguan people and oppose the Sandinists' attacks on Nicaragua's neighbors.

In his fascist determination to lie and to slander the Nicaraguan revolutionary process, Reagan brazenly talked about Nicaragua's attacks on its neighbors and reiterated his quote, support, unquote, for the Contadora Group, warning that no peace agreement can be lasting unless the 21 points of Contadora's Document of Objectives are implemented simultaneously. According to Reagan, this document makes democratic elections in Nicaragua compulsory.

The U.S. President remarked that the Nicaraguan insurgents -- that is, his combatants or quote, freedom fighters, unquote, who operate with CIA guidance and funding -- have promised to lay down their weapons and participate in the elections if they are truly democratic.

Later on, Reagan increased his pressure on Congress, demanding that a historic decision be made later this week with approval of assistance for the Salvadoran Government and the Nicaraguan counterrevolutionaries, who are waiting for this U.S. aid for use in their defense and their struggle for freedom.

COURT INDICTS SECOND LA PRENSA EMPLOYEE

PA232040 Managua Domestic Service in Spanish 0300 GMT 23 May 84

[Text] The Anti-Somozist People's Tribunals, TPA, have indicted another employee of the warlike newspaper LA PRENSA.

He is photographer Jorge Ortega Rayo, who stands accused by the country's Prosecutor's Office of trying to organize an internal front in Managua for ARDE [Democratic Revolutionary Alliance], the well-known counterrevolutionary organization.

Assistant Prosecutor Jose Antonio Bolanos, who filed the charges at the court, said that testimony by Luis Mora Sanchez [jailed LA PRENSA correspondent] at the trial court (?requires) that Ortega Rayo be tried by the TPA for violating the law on the maintenance of order and public security. In his statement to the TPA, Mora Sanchez said that Ortega Rayo, who works as a photographer at LA PRENSA, was in charge of recruiting traitors and painted slogans on walls in favor of the well-known organization headed by traitor Pastora.

PSD CONDITIONS PARTICIPATION IN STATE COUNCIL

PA222317 Managua LA PRENSA in Spanish 17 May 84 pp 1, 10

[Text] Luis Rivas Leiva, president of the Social Democratic Party, PSD, has given his opinion about an alleged alliance between the PLI [Independent Liberal Party] and the parties belonging to the Democratic Coordinating Board. He noted that "a party that has sided with the FSLN for 4 years must gain credibility, and what the PLI will do from now on remains to be seen."

"The PLI must corroborate its opposition to the FSLN with actions. If this party is sincerely interested in joining the struggle for the country's democratization after 4 years of collaboration with the FSLN, everything must be different from now on," the PSD leader said. Rivas Leiva stressed that "the last word has not been said, and we are not sure of what will happen between the PLI and the other opposition parties in the near future." Rivas Leiva also commented on the law for the communications media, and said that the PSD's participation in the State Council will depend on how the bill is presented. If we consider the law to be repressive, antidemocratic, and a violation of citizens' rights, our representative at the State Council will have to withdraw, he said.

He added: "Our participation in the State Council will be the same as with the electoral law. When the Council was debating Article 21, we decided to withdraw, because the PSD felt that there was nothing to do there, since everything was being approved according to the FSLN's whims and desires. We will adopt the same position during the debates on the law regulating the media. We will be working for the country's democratization, but if the circumstances are not favorable, and if we consider the law to be negative, we will withdraw from the State Council."

ARDE COMMUNIQUE DENIES DIVISIONISM, CRISIS

PA231700 Panama City Domestic Service in Spanish 1400 GMT 23 May 84

[Text] While the Sandinist Army fights the counterrevolutionary forces in the northern, central, and southern parts of Nicaragua, the so-called Democratic Revolutionary Alliance [ARDE] writhes amid evidence of divisionism. However, in an effort to disprove reports to this effect, which have been termed distortions and ill-intentioned rumors, Eden Pastora released a communique in Panama last night asserting that ARDE is united under the direction of the Sandino Revolutionary Front, led by Pastora; the Christian Democratic Solidarity Front, represented by Jose Davila Membreno; and the Revolutionary Directorate for Solidarity of Nicaraguan Democratic Workers [Directorio Revolucionario por Solidaridad de Trabajadores Democraticos Nicaraguenses], led by Donald Castillo Orozco.

According to the communique, which is signed by the three representatives of ARDE -- and in which neither Alfonso Robelo of the Nicaraguan Democratic Movement nor the representatives of the Nicaraguan Democratic Union-Revolutionary Armed Forces of Nicaragua, UDN-FARN, nort he Miskitos, Sumus, and Ramas who comprise MISURASATA are represented -- it is other elements, an indirect reference to Robelo, who are hindering the development of the anti-Sandinist struggle. According to the communique, ARDE is struggling to achieve the historic goal of recovering the July 1979 revolution, which cost the Nicaraguan people so much blood and suffering, from the hands of totalitarians.

ARDE document issued on 13 July 1983, the pronouncement issued on 7 November 1983, and the call to unity issued on 10 January 1984 unequivocally demonstrate our stand in favor of unity and of those views that would help to achieve it, the ARDE communique says. We see a betrayal of ARDE's political principles and historic purpose in those stands that seek to impose, through pressure, manipulation, and false expectations, a hasty and irresponsible unity, clumsily promoted by obscure forces, as this unity would only prove to be artificial and ephemeral. We favor the unity of the Nicaraguan people as brought about by Nicaraguans, for this historic and permanent unity would secure peace and stability for our people.

The communique adds: We have detected a number of deficiencies in stands that clearly point to a divergence between original positions on the Alliance's views on unity and the hasty [immediatistas] positions that some are seeking to impose now. We categorically condemn the constant manipulation against Commander Eden Pastora Gomez, the leading military and political figure in today's Nicaragua, by certain biased sectors who portray him as an obstacle to unity, when in truth Commander Pastora is a unifying factor, not only within the Alliance but among all Nicaraguan people in their struggle against the current dictatorship.

The ARDE communique signed by Pastora, Davila Membreno, and Castillo Orozco also indicates: We firmly support the Sandinist, anti-imperialistic, democratic, and Christian positions represented within ARDE by Commander Pastora and shared by democratic and revolutionary organizations both inside and outside ARDE, whether in Nicaragua or abroad The communique adds: We will not permit the progressive attempts to box important leaders of the Alliance into corners being undertaken by certain ultrarightist sectors to succeed.

We reaffirm the Alliance's anti-imperialistic stand and condemn all links between the hysterical hastiness exhibited by some who are in favor of achieving unity with the FDN. [Nicaraguan Democratic Force], an ex-Somozist organization, and the possibility that there might be an act of intervention against our people. It is surprising how a crisis develops in ARDE every time there are either interventionist indications or warmongering speeches. This is especially surprising given that our own anti-imperialistic principles lead us to fight those who are shedding blood, in what constitutes a firece struggle against the Soviet-Cuban intervention in our homeland.

Finally, the communique states: We reaffirm, to the Nicaraguan people and the fraternal peoples of the world, our determination -- that of the ARDE armed forces; of the combatants in the south, north, and Atlantic areas, and of all the people who support us -- to achieve a national unity that will uproot the current totalitarianism once and for all, burying the efforts of those who seek a shameful return to the past.

OLYMPIC COMMITTEE ANNOUNCES WITHDRAWAL FROM GAMES

Domestic Service Version

FL230042 Havana Domestic Service in Spanish 0000 GMT 24 May 84

[Text] The Cuban Olympic Committee [COC] in Havana has reported that Cuba will not participate at the 23d Olympic Games. A document issued by the COC states that U.S. officials have violated the Olympic Charter, and that ten other socialist countries have already announced that they will not attend the Los Angeles Olympic Games.

Cuba's athletic delegation will not participate in the 23d Olympic Games in Los Angeles, due to the unacceptable violations of Olympic norms and principles which the Olympic Organizing Committee made in not guaranteeing the Cuban athletes' security.

A statement was issued by COC President Manuel Gonzalez Guerra to the Cuban and international press after a meeting by the COC Directorate, where the current situation was studied.

It was also reported that the COC holds as absolute truth that a series of irregularities and violations against prevailing norms occurred in the organizing of the Los Angeles Olympics.

The statement reiterates the Cuban athletes' and the COC's unwavering faithfulness to the high ideals of the World Olympic Movement, whose fraternal and humanistic principles will be forever upheld.

Statement Read on Television

FL240232 Havana Television Service in Spanish 0000 GMT 24 May 84

[Text] The Cuban Olympic Committee [COC] has issued a statement on the Los Angeles Olympic Games that was read by Comrade Manuel Gonzalez Guerra, president of the COC.

[Begin Gonzalez recording] The COC has closely followed the organizing of the 23d Olympic Games, with a healthy interest toward Cuba's participating in the Games and our athletes finishing the preparatory cycle that they have followed with such effort.

The COC holds as absolute truth that a series of irregularities and violations of the Olympic norms have been committed in the organizing of the Games. These violations and irregularities caused deep worry, protests, and statements from several national Olympic Committees. As part of the COC's work, leaders of the Cuban Olympic Committee visited Los Angeles in March. There it verified, at the actual site, that various irregularities and violations existed. These problems were put before the Organizing Committee with the hope that the problems would be solved; the resolution of the problems was an indispensable condition for the participation of Cuban athletes in the Games.

The lack of security given to the athletes, judges, and other officials was of special concern. It was noted that there existed a climate for helping counterrevolutionary and terrorist organizations create provocations toward the socialist and revolutionary countries' delegations, and that there was a virulent campaign in existence against these nations' participation in the Olympic Games -- in flagrant contradiction of the spirit of friendship and understanding that should exist at this type of event.

Toward Cuba specifically, it was felt that humiliating and discriminatory measures would be applied that are totally unacceptable.

These included: the compulsory trip to enter Los Angeles; the negative response toward admitting charter planes from Havana to fly its athletes to Los Angeles; the ruling on demanding that fares as well as registration fees be paid in advance; and other technical problems.

Instead of this situation changing and becoming more favorable as a result of conversations held on these problems, the situation became worse. One could say that an atmosphere of hysteria was built up against the socialist and other revolutionary countries' presence at the Olympics -- as counterrevolutionary and terrorist groups freely moved about. These groups had large amounts of funds and material facilities at their disposal. They freely moved about without trying to mask their intentions of provoking incidents, kidnappings, physical and psychological attacks, and committing other actions that would make impossible any competition by Cuban athletes. Also, the commercialization of the Olympic Games reached unusual heights. This lamentable situation gave way to a crisis in relation to the Los Angeles Games -- the justified decision made by the USSR's Olympic Committee and numerous other socialist national Olympic organizations who, because of their sports potential, are a fundamental part of the Olympic Games.

The Cuban athletes are not frightened by any threats. Over the last 25 years, they have known how to valiantly stand up to hostile and aggressive situations created by Cuba's enemies, which have occurred at several international competitions.

Specifically, Cuba cannot reconcile itself with the Los Angeles Olympic Committee's treading on Olympic norms and principles, peacefully accepting such practices and ignoring the grave crisis that was created around the Games with the absence of those prestigious nations, who with every reason will not participate in the games. To accept all this would not be consistent with the history and principles of the Cuban revolutionary sports program. Consequently, the COC has made the following resolution.

Firstly, the Cuban delegation will not participate in the 23d Olympic Games, due to the unacceptable violation of Olympic norms and principles committed by the Organizing Committee and the situation found in Los Angeles which does not guarantee the security or protection of Cuban or other socialist athletes' rights -- from the standpoint of both physical and personal dignity. These are the reasons for many prestigious countries with complete athletic capabilities absenting themselves from the Games as a justified and inevitable response to the violations committed, which have now caused irreparable damage to the Games. The damage deprives the Games of the purity, content, and true Olympic spirit that should exist.

Secondly, [we wish] to reaffirm the unwavering faithfulness of Cuban athletes and of the COC to the high ideals of the World Olympic Movement, whose fraternal and humanistic principles we will always defend, and the unalterable desire to have our athletes continue to participate, as they have until now, in competitions that might be organized by the various federations which guarantee the fulfillment of established norms in the Olympic Charter. This was the COC's statement. [end recording]

International Service Version

PA240051 Havana International Service in Spanish 0000 GMT 24 May 84

[Text] The Cuban Olympic Committee [COC] has unanimously agreed not to send a delegation to the upcoming summer Olympic Games to be held in Los Angeles from 28 July to 12 August.

A declaration released at the headquarters of the COC in Havana says that the organization has taken into account the unacceptable violations of Olympic principles and standards by the Organizing Committee of the Los Angeles Games. The document adds that the situation created in that U.S. city, where counterrevolutionary and terrorist groups move about freely, does not guarantee the safety or protect of the rights of the Cuban athletes or athletes from other socialist nations, regarding either their physical safety or their personal dignity, and does not allow the normal development of the Games.

The document released by the COC adds that these circumstances have made many countries with recognized sports prestige and potential decide not to attend the Los Angeles Games, in a just and unavoidable answer to the violations that have already caused irreparable damage to this great event. The document adds that in Los Angeles they were planning to apply to the Cuban delegation completely unacceptable, humiliating, and discriminatory measures such as imposing mandatory travel routes to Los Angeles and not authorizing charter flights from Havana for the transportation of the athletes.

The document adds that the COC has confirmed that during the organization of the Los Angeles Games several irregularities and violations of Olympic standards were committed and that this brought about many concerns, protests, and charges. The document states that a COC delegation visited Los Angeles in March and confirmed these irregularities, which were expressed to the Organizing Committee with the hope that they would be corrected. With much concern it was proved that counterrevolutionary and terrorist groups in Los Angeles enjoy a climate that abets and encourages them to carry out provocations against the delegations from the countries, socialist and other revolutiona countries and this is a flagrant violation of the spirit of friendsip and understanding that should exist during such an event.

The COC underscores that the Cuban athletes are not frightened by any threat, but that in this case Cuba cannot accept the offense to Olympic principles and standards, which were trampled on by the organizers of the Los Angeles Games. Therefore, the declaration adds, the COC has decided not to send a delegation to the Los Angeles Games, while at the same time reiterating its support for the International Olympic Committee and the high ideals the organizations represents.

Judges Will Participate

PA232311 Paris AFP in Spanish 2258 GMT 23 May 84

[Excerpt] Havana, 23 May (AFP) -- Manuel Gonzalez Guerra, president of the Cuban Olympic Committee, has told AFP that although Cuban athletes will not participate in the Olympic Games at Los Angeles, Cuban judges will attend.

OLYMPIC BOXER CRITICIZES U.S. ON GAMES

FL231228 Havana Television Service in Spanish 1103 GMT 22 May 84

[Text] Three-time Olympic boxing champion Teofilo Stevenson has sent a letter of congratulations to runner Alberto Juantorena for his outstanding performance in the Barrientos Memorial meet, which was held this weekend in the Pedro Marrero [Stadium]. Stevenson said in the letter to his dear comrade and brother Juantorena: I am always confident that you will win because I am aware of your will, your spirit, and your interest and I know that you have prepared yourself with much tenacity.

Despite your injuries, you have shown your quality with the level of training you have attained for the Olympic Games, which have been obstructed by the absurd administration of the U.S. Government headed by the cowboy Reagan who, fearful of the results that the Soviet Union and the other socialist countries are capable of achieving, has undertaken a campaign against the victory of principles of the Olympic Charter, sports, and humanity.

COMMENTARY DEFENDS NONPARTICIPATION IN OLYMPICS

PA232021 Havana International Service in Spanish 0000 GMT 23 May 84

["World Events" commentary]

[Text] The U.S. Government is attempting to confuse public opinion as to the real reasons for which the Olympic Committees from the USSR and the other socialist nations decided not to send teams to the Los Angeles Games. State Department and White House officials insist that the U.S. Government has nothing to do with the activities of terrorist groups that were planning to provoke and attack the socialist nations' athletes during the Games. The truth belies such statements, however, because the leaders of those extreme rightist bands that operate freely in Los Angeles have publicly stated that the U.S. Government supports them. The U.S. press has reported this. The existence and activities of those groups are not a spontaneous occurrence. They are part of the anticommunist hysteria that Washington has intentionally unleashed to promote hatred of socialism in the United States and to rally support for the agressive U.S. foreign policy. Those terrorist organizations have had no scruples in announcing that they will carry out their criminal actions even if those people who created, promoted, and applauded the organizations themselves oppose them. Gang leaders have said that they will carry out their plans even if the socialist nations do not attend the Olympic Games. We will attack whoever opposes us, they clearly declared.

The U.S. Government is also attempting to show the world that the USSR and other socialist nations will not take part in the Los Angeles Games in retaliation for the U.S. boycott of the 1980 Moscow Olympics. By supporting this fallacy, the U.S. propaganda apparatus is attempting to deny the fact that the U.S. Government never wanted the socialist nations to attend in the first place. The conditions by which to attain that goal were created long ago. The climate at the seat of the summer Olympic Games is characterized by open hostility toward socialism, at the same time that the antisocialist gangs brag of their aggressive plans. Stickers and posters linking sports to anticommunist hatred are sold at stands. Under no circumstances can the Olympic Committees from the USSR and the other socialist nations subject their young athletes to the risk of kidnapping or murder. They cannot allow their delegations to be insulted and humiliated. That is why they made the decision to refrain from attending the Games.

The socialist nations have set an example by fulfilling the duties stipulated in the Olympic Charter and by the international athletic organizations. The socialist nations' athletic organizations cooperate extensively with all Olympic institutions and set an example with their feats: Over half of the titles sought at the world games in the last few years have been won by athletes from socialist nations, with the USSR at the head. There are no professional sports in the socialist states. The inhabitants of the socialist nations enjoy physical education as a right and as a result of the government policy to nurture happy and healthy citizens.

The decision not to take part in the Los Angeles Games is not an attack by the socialist nations on the Olympics as the U.S. Government has unsuccessfully attempted to convey. Neither is it vengeance, because such a feeling is not one of the values with which the socialist man is brought up. The United States, the seat of such a beautiful competition as the Olympic Games, has raised its political ambitions above the interests of international sports and has thus delivered a sharp blow to the fraternal spirit that should imbue relations between peoples.

FOREIGN MINISTRY SUPPORTS L.A. DEBT STAND

FL231237 Havana Domestic Service in Spanish 1045 GMT 23 May 84

[Text] Cuba has expressed support for the declaration of several Latin American countries on the foreign debt. A document released by our country's Foreign Ministry states that the Cuban Government takes as its own the pronouncements of the chiefs of state of Argentina, Mexico, Brazil, and Colombia on the problems of the Latin American countries' [foreign] debt and the consequences that raising the interest rate will have, and endorses the initiative of calling a Latin American and Caribbean ministerial conference to discuss these problems.

COMMENTARY ANALYZES FAILURE OF NAMIBIA TALKS

PA240319 Havana International Service in Spanish 0000 GMT 24 May 84

["World Events" commentary, read by Angel Hernandez]

[Text] The talks on the independence of Namibia ended in Lusaka last week in total failure. Delegates of the South-West African People's Oragnization, SWAPO; the South African regime; and the so-called internal Namibian politicians held the talks under the sponsorship of Zambia.

In its search for means to perpetuate its control over the rich Namibian territory, South Africa tried to force SWAPO to accept in Lusaka the representation of the so-called Multiparty Conference created just 6 months ago and made up of representatives of tribal, landowning, and transnational groups. Such an objective was vigorously opposed by SWAPO leader Sam Nujoma, who before the meeting stressed that the guerrilla organization, a legitimate representative of the Namibian people, was not willing to negotiate with individuals whom it considered tools of the Pretoria regime.

South Africa's insistence on conditioning the independence of Namibia to the withdrawal of the Cuban internationalist combatants from the People's Republic of Angola once again had a negative influence, leading to the failure of the Zambian talks. In addition to the political significance of that attitude, known as the linkage theory, political observers pointed out that if it was accepted, the world community would get the impression that the withdrawal of the South African troops from Namibia was occurring because of South Africa's decision and not as a consequence of the struggle of the Namibian revolutionaries. The linkage theory drafted by the United States as a means of international pressure has provoked the failure of other efforts for the independence of Namibia. One example is the 1981 conference called by the United Nations in Geneva, Switzerland.

On opening last week's talks in Lusaka, Zambian President Kenneth Kaunda stressed that the presence of the Cuban internationalist contingent in Angola does not represent a threat to South Africa's security, and he asked Pretoria and Washington not to insist on Cuban withdrawal because it is extraneous and irrelevant to the Namibian decolonization process, the real objective of the dialogue.

As analysts have correctly pointed out, the linkage theory is just a formula to delay Namibia's independence so that South Africa will be able to organize a political strategy favorable to its interests and at the same time permit the preservation of the investments that West European countries, the United States, and Canada have in that territory. That is why the racist South African regime brought it up in Lusaka as a condition for the implementation of UN Resolution 435, approved 6 years ago by the Security Council. That resolution proposes that the South African troops withdraw from Namibia and that free elections be held with UN supervision. Since the SWAPO's victory in these elections would be certain, that organization of patriots would have the right to draft the new Namibian constitution. According to the demands from South Africa and the internal Namibian parties, the text of the constitution must be agreed upon before the elections.

Although the Lusaka talks failed, there are still possibilities for new contacts since Pretoria is forced to seek a solution to its situation in Namibia. That is why it went to the negotiating table in Zambia. Meanwhile, the racist regime is trying to gain time since it is counting on U.S. President Ronald Reagan's reelection so it will be able to maintain its dilatory position. It is foreseen that as part of that strategy, obstacles, pretexts, and delays will continue to be used for the purpose of delaying the solution of a problem that cannot be postponed.

An important role will be played by the United Nations in the results that are obtained. Following the failure of the so-called contact group, the United Nations constitutes the adequate and legally accepted framework to resume the process for Namibia's independence.

REPORT CLAIMS U.S. 'MISINFORMATION' ON REFUGEES

PA232033 Havana International Service in Spanish 0000 GMT 23 May 84

[Text] The United States and Guatemala have coordinated a misinformation campaign on the Guatemalan refugees' situation in southern Mexico, the Mexican daily ULTIMAS NOTICIAS has reported. Citing the Guatemalan Human Rights Commission, the newspaper indicates that U.S. and Guatemalan media are distorting the facts on the Guatemalan refugees who are fleeing Oscar Majia Victores' repressive regime. According to the report, the campaign is intended to show that the Mexican Government is promoting the Guatemalans' exodus. It also claims that the Mexicans are teaching the refugees to forget their nationality and their ideas.

COSTA RICAN REPORT CITED ON ARDE PLANE CRASH

PA231535 Havana International Service in Spanish 0000 GMT 23 May 84

[Text] The Costa Rican Judicial Investigation Organization [OIJ] has determined that the first people to reach the site where an aircraft fell in March 1984 carrying arms and supplies for the Nicaraguan counterrevolution were at least 10 anti-Sandinists. The OIJ report states that Democratic Revolutionary Alliance [ARDE] members retrieved the military gear from the craft. The Costa Rican daily LA PRENSA LIBRE reported that the plane was carrying 500,000 rounds of ammunition, 400 pairs of boots, and a large number of uniforms.

Eyewitnesses to the crash who were contacted and who gave testimony to the OIJ include Gerardo Blanco, Israel Salazar, Carlos Manuel Unama, and U.S. citizen John Holcrack, several of whom have been accused of collaborating with ARDE. Their statements indicate that ARDE leaders ordered the destruction of all evidence in the aircraft and its cargo and that four of the crew members' bodies were taken to Nicaragua, while others were burned.

REPORTAGE ON CDB BOARD OF GOVERNORS MEETING

CDB Head, Seaga Open Meeting

FL162348 Bridgetown CANA in English 2143 GMT 16 May 84

[By Paget Defreitas]

[Text] Kingston, Jamaica, May 16 (CANA) -- The Board of Governors of the Caribbean Development Bank (CDB) opened their annual meeting here today with Jamaica's Prime Minister Edward Seaga and Bank President William Demas stressing the need for regional economic reform to confront hard times.

"The major economic problems affecting the Caricom (Caribbean Community) countries are only in part the result of the world recession, they are also of a long-term structural nature," Demas told the opening session. His address focused on theoretical frame of structural adjustment and the pros and cons of transforming national economies.

The Jamaican prime minister, speaking to the backdrop of his own government's programme of restructuring the economy, urged Caribbean countries to break the bind of economic orthodoxy.

"We must do those things today which would have been thought of yesterday, and while we summon the courage to try new solutions the donor countries cannot sit smugly behind traditional practices," Seaga said. "They too must dare to act creatively so as to enable the structural adjustment process to be successful."

Jamaica's initial efforts at structural adjustment to develop an export-led economy had caused tensions with its partners in the Caribbean community, as the Seaga government opened the island's market to products from extra regional sources and devalued the local currency to make Jamaican exports more cost competitive.

Seaga, dismissing the need for tensions, said that insofar as other Caribbean countries carried out structural adjustment programmes, "the room for trade within the region will vastly expand and this trade will take place on terms and conditions which are more favourable to all member states."

"I do not believe that looking outward to secure markets will weaken the community served by the CDB -- on the contrary, this can only strengthen it," the Jamaican leader said. He said there was no room "for narrow protectionism which confines us to small borders, small earnings, and inadequate employment levels.

"If we are to give our people the future they want, we must escape these narrow boundaries by opening our economies, sharpening our ability to compete, attacking new and bigger markets to generate greater sales, earn more foreign exchange, employ more people," the prime minister declared.

Seaga suggested that the CDB could assist in structural adjustment, establish an export development fund to provide foreign exchange to purchase raw materials for Caricom trade and a rehabilitation loan to finance new plant and equipment.

The suggestion appeared similar to one of the proposals Demas later revealed. He said the bank's management planned to recommend to the board a programme "which will provide financial assistance to structural adjustment measure," particularly as they relate "to the reorganisation of critical export sectors."

As part of this process, Demas said that the bank intended to pay greater attention to the macro-economic environment and its impact and implications for major projects.

He said too that the bank would assist, independently or with other agencies, in developing the capability for generating a statistical base in economic planning, national economic management, and policy formulation in member countries which required such help. It would also make available at request its economists to help formulate public sector investment programmes, identification of desirable economic policies and to assess their macro-economic impact and implications.

Demas stressed that in talking about structural adjustment in Caribbean economies, the framers have to be mindful of the "regional integration dimension."

"We must not permit our orientation of the manufacturing sector more towards extra-regional markets to weaken the cohesiveness of our Caribbean Community," he said.

Added the CDB president: "We need each other not only in intra-regional trade...but also in joint efforts in production, other forms of economic cooperation to promote adjustment, cooperation through common services and pool of exports, joint efforts to secure external financial resources to help with adjustment, and strengthening our external bargaining power in economic and diplomatic matters through joint policies and coordinating actions."

Seaga Urges CDB Debt Financing

FL171646 Bridgetown CANA in English 2237 GMT 16 May 84

[Text] Kingston, Jamaica, May 16 (CANA) -- Jamaica's prime minister, Edward Seaga, today suggested that the Caribbean Development Bank (CDB) use some of the expected surplus resources from new donor members to refinance short term commercial debts of its borrowing members as part of the structural adjustment of their economies. Opening the annual meeting of the CDB Board of Governors in Kingston, Seaga noted the debt burden faced by regional countries, and their inability to attract new and significant commercial bank credits.

He said that at the same time the International Monetary Fund (IMF), to which many countries have turned to for help, lacked adequate resources and could not be expected to provide lasting solutions to the region's ills.

Ironically, the prime minister said, with the admission of new members, the CDB will have surplus resources which many of its members will be either unable or unwilling to borrow because their debt servicing capabilities were at maximum.

Said Seaga: "One suggestion which I would like to make is doubtless almost heretical: that the CDB use some of these resources which it may be able to lend to borrowing countries to finance projects, to refinance instead existing short term commercial debt."

France today took its seat for the first time as a member of CDB having completed the legal requirements after its membership was approved by last year's governors meeting in Colombia. The governors are expected to approve membership for Italy here. Already, Canada and Britain are non-Caribbean members of the CDB.

Seaga said that donor countries would probably see little attraction in their funds being used to pay commercial banks.

On the other hand, he argued, everyone would gain, if such a refinancing scheme was undertaken as part of a structural adjustment programme in which commercial banks were required to keep their financing at the same level in short term revolving trade credits.

Said the Jamaica prime minister: "The CDB would be using its resources to relieve the debt burden by refinancing short term credit, and short term creditors, that is the commercial banks, would re-invest these credits by making available to the private sector resources for the purchase of raw materials and capital goods and the establishment of trade credits." Seaga said that these were the days when "creative financing mechanisms had to be used."

"We cannot stick only to the traditional routes if we are to restructure our economies. We must as developing countries which are borrowers break down some of the sacred barriers," he said.

Seaga on Reorganizing Economies

FL181404 Bonaire Trans World Radio in English 1130 GMT 18 May 84

[Text] Jamaican Prime Minister Edward Seaga says all member nations of Caricom should reorganize their economies if they hope to survive. Speaking to the directors of the Caribbean Development Bank in Kingston yesterday, Mr Seaga said t ere is no room for narrow protectionism. He gave as an example the adjustments made to Jamaica's own economy over the last 3 years. Jamaica, he said, has deregulated its economy, eliminated most trade barriers and almost all import controls, divested itself of many state-owned enterprises, and reduced price controls. He said those measures were used to build a vigorous economy that produces goods which can be competitive in major world markets.

Charles Makes Brief Address

FL171515 Bridgetown CANA in English 2246 GMT 16 May 84

[Excerpts] Kingston, Jamaica, May 16 (CANA) -- Dominica's Prime Minister Eugenia Charles feels that the two-day meeting of governors of the Caribbean Development Bank (CDB), underway in Kingston, could set the stage for the July summit in the Bahamas of Caribbean leaders.

Charles made a brief address to today's opening of the governors meeting after a speech by Jamaica's Prime Minister Edward Seaga. Charles said Seaga's address had "set the stage for our heads of government conference in July."

She said that the Caribbean must continue the search for solutions to the economic problems, and that Seaga's suggestions had given the bank "an expansive area with which to work for the next 12 months."

The issue of structural adjustment is one that is to be addressed at the summit, as at their last formal session in Port of Spain a year ago the regional leaders mandated the CDB, working with other institutions, to prepare a study on the transformation of Caribbean economies. Officials expect that some of the issues for that summit will get some informal attention at the highest level at this meeting for apart from Seaga and Charles, the governors meeting is being attended by Saint Lucia Prime Minister John Compton and Chief Minister John Osbourne of Montserrat.

At the opening of the meeting Prime Minister Seaga indicated that CDB President William Demas would be reelected by acclamation for a third five-year term.

Demas Reelected CDB President

FL181126 Bridgetown CANA in English 2222 GMT 17 May 84

[Text] Kingston, Jamaica, May 17 (CANA) -- Trinidad-born William Demas, 54, was today reelected to serve for a third term as president and chief executive of the Caribbean Development Bank (CDB). The election took place at a plenary session of the two-day CDB governors meeting here. Demas assumed the top post at the bank in 1974 as successor to another distinguished West Indian economist, Sir Arthur Lewis, after serving as secretary-general of the Caribbean Community and Common Market (Caricom). He will begin his new term in 1985.

Views Noted as Meeting Ends

FL181834 Bridgetown CANA in English 1853 GMT 18 May 84

[By Paget Defreitas]

[Text] Kingston, Jamaica, May 18 (CANA) -- Governors of the Caribbean Development Bank (CDB) ended their annual meeting here Thursday with general agreement on the need for reform in Caribbean economies if the region is to confront its problems, associated mainly with widening balance of payments and fiscal deficits, according to bank president, William Demas. "There was general agreement on the need to urgently implement measures of structural adjustment in the region," Demas said.

The Bank's management was also asked to study a proposal by Jamaica's Prime Minister Edward Seaga for the CDB to use expected surplus resources to refinance short-term commercial bank loans of its borrowing members, as well as the possible entry of new donor members in order to beef up resources, the CDB president told reporters.

The issue of structural adjustment was a main talking (?point) of the two-day meeting, with the tone being set by opening addresses on the topic by Jamaica Prime Minister Edward Seaga, and Demas himself. The CDB has conducted a study on the subject, as requested by the Caribbean Community (Caricom) heads of government. Its aim is to increase cost-competitive production in the region allowing the Caribbean to effectively compete in international markets and increase earnings.

If this can be achieved and the balance of payments and fiscal deficits can be reduced to sustainable levels, economists argue, internal balance would be returned to the region's economies, making them capable of self-sustaining growth and having the capacity to absorb periodic external shocks.

However, the process of adjustment can be painful as governments implement harsh measures to reduce their external and internal deficits, as when necessary to reduce consumption and increase the cost competitiveness of exports.

In Jamaica, where the Seaga government is carrying out a programme of structural adjustment, the local currency has been devalued by over 50 per cent since last November and prices have rocketed here.

"Lets face facts, structural adjustment lowers the living standards of everyone," Demas said, adding that it was "a complex and delicate process" requiring a surfeit of "economic and political skill." But like Jamaica's Seaga, Demas felt the process was necessary, and that all Caribbean Community (Caricom) member states "need some kind of structural adjustment."

"It is like a forced march towards development," he said, noting that time frame with which shifts would normally take place was greatly compressed.

The CDB study on the subject will be basic working document for the next heads of government conference in July in the Bahamas, Seaga says.

Demas told reporters that in that document, which has been circulated to regional leaders, the bank looked at broad macro-economic and sectoral policies and possible application to the Caribbean. It, however, did not attempt to dictate a set of policies to be taken by governments.

"I do not believe that there are universal economic laws," said the CDB president, adding that there were peculiarities within each country that had to be addressed. "It is left to each government to determine what are its needs and how far it needs to go," Demas said.

Seaga, in opening the governors meeting which he chaired, stressed the need for structural adjustment in the region, warning that it was necessary for survival.

The Jamaican leader had two suggestions on how the CDB could assist the process: The bank could establish an export development fund to provide foreign exchange to purchase raw materials for Caricom trade and a rehabilitation loan for new plant and equipment, and for the bank to use resources expected from new members to refinance short term loans its borrowers owe to commercial banks. The former is in line with a suggestion Demas told the meeting the CDB management intended to take to the board of directors, but he told reporters that the latter would be studied.

According to Seaga, if there was such a scheme it could be programmed that commercial banks recycle their credits to the private sector to buy raw materials and capital goods to aid structural adjustment.

The Seaga suggestion rests on the issue of available resources in the bank, whether moves should be made to garner additional funds from more sources and what should be the future lending policies.

Apart from the 17 Caribbean borrowers of the CDB, Canada, Britain, the United States, Colombia, and Venezuela have been donor members, and France took its seat during this meeting. The governors also gave the bank the go-ahead to enter negotiating with Italy, which has shown interest, to gain another Organisation for Economic Cooperation in Development (OECD) state as a member.

The whole issue of additional resources has not been resolved and the question of possible increase in membership after Italy is one for study. According to Demas, there are two views on the matter. One was that with structural adjustment being implemented, borrowing countries will need more loans to finance their programmes -- along the lines of the Seaga suggestion and the CDB's own proposal -- and that bank might have to help pick up the slack left by other international and regional development banks which appear to be reducing their commitment to the Caribbean. The other view is that in economically difficult times it might be better for the CDB to seek to continue to strengthen performance and stabilise its lending at existing levels.